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Financial report and audited financial statements for the biennium ended 31 December 1999 and Report of the Board of Auditors*

United Nations Development Programme

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* The present document is an advance version of the reports, which will be issued in final form as *Official Records of the General Assembly, Fifty-fifth Session, Supplement No. 5A* (A/55/5/Add.1).

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Abbreviations

AfDB	African Development Bank
AFESD	Arab Fund for Economic and Social Development
AsDB	Asian Development Bank
CEC	Commission of the European Communities
DEVNET	Development Network
EBRD	European Bank for Reconstruction and Development
ECA	Economic Commission for Africa
ECE	Economic Commission for Europe
ECLAC	Economic Commission for Latin America and the Caribbean
EEC	European Economic Commission
EIMS	Executive Information Management System
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCWA	Economic and Social Commission for Western Asia
FAO	Food and Agriculture Organization of the United Nations.
FIM	Financial Information Management
GEF	Global Environment Facility
IADB	Inter-American Development Bank
IAEA	International Atomic Energy Agency
IAPSO	Inter-Agency Procurement
IBRD	International Bank for Reconstruction and Development
ICAO	International Civil Aviation Organization
IDA	International Development Association
IDB	Inter-American Development Bank
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
ILO	International Labour Organization
IMF	International Monetary Fund
IMIS	Integrated Management Information System
IMO	International Maritime Organization
IOM	International Organization for Migration
ITC	International Trade Centre
ITU	International Telecommunication Union
JPO	Junior Professional Officer
NEX	Government, as Executing Agent
NGO	Non-governmental organization
OECD	Organization for Economic Cooperation and Development
OIOS	Office of Internal Oversight Services
PAPP	Programme of Assistance to the Palestinian People
PFMS	Project Financial Management System
SICA	Spanish International Cooperation Agency
UNCDF	United Nations Capital Development Fund
UNCHS	United Nations Centre of Human Settlements (Habitat)
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNFSTD	United Nations Fund for Science and Technology for Development
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNIFEM	United Nations Development Fund for Women
UNITAR	United Nations Institute for Training and Research

UNOPS	United Nations Office for Project Services
UNRFNRE	United Nations Revolving Fund for Natural Resources Exploration
UNSO	Office to Combat Desertification and Drought
UNTAC	United Nations Transitional Authority in Cambodia
UNV	United Nations Volunteers
UPU	Universal Postal Union
USAID	United States Agency for International Development
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization
WTO	World Tourism Organization

Letters of transmittal and certification

5 July 2000

Sir,

Pursuant to financial regulation 26.01, we have the honour to submit the financial statements of the United Nations Development Programme (UNDP) for the biennium ended 31 December 1999, which we hereby approve.

Copies of these financial statements are also being transmitted to the Advisory Committee on Administrative and Budgetary Questions.

We, the undersigned, acknowledge that:

The Management is responsible for the integrity and objectivity of the financial information included in these financial statements;

The financial statements have been prepared in accordance with the United Nations System Accounting Standards and include certain amounts that are based on Management's best estimates and judgements;

Accounting procedures and related systems of internal control provide reasonable assurance that assets are safeguarded, that the books and records properly reflect all transactions and that overall, policies and procedures are implemented with an appropriate segregation of duties. UNDP internal auditors continually review the accounting and control systems. Further improvements are being implemented in specific areas;

The Management provided the United Nations Board of Auditors and UNDP internal auditors with full and free access to all accounting and financial records;

The recommendations of the United Nations Board of Auditors and UNDP internal auditors are reviewed by the Management. Control procedures have been revised or are in the process of being revised, as appropriate, in response to those recommendations.

We each certify that, to the best of our knowledge, information and belief, all material transactions have been properly charged in the accounting records and are properly reflected in the appended financial statements.

Accept, Sir, the assurances of our highest consideration.

(*Signed*) Mark Malloch **Brown**
Administrator

(*Signed*) Jan **Mattsson**
Assistant Administrator
Bureau of Management

The Chairman of the Board of Auditors
United Nations
New York

28 July 2000

Sir,

I have the honour to transmit to you the financial statements of the United Nations Development Programme for the biennium 1998-1999 ended 31 December 1999, which were submitted by the Administrator. These statements have been examined and include the audit opinion of the Board of Auditors.

In addition, I have the honour to present the report of the Board of Auditors with respect to the above accounts.

Accept, Sir, the assurances of my highest consideration.

(*Signed*) Sir John **Bourn**
Comptroller and Auditor General of the
United Kingdom of Great Britain
and Northern Ireland
and Chairman
United Nations Board of Auditors

The President of the General Assembly of the United Nations
New York

I. FINANCIAL REPORT FOR THE BIENNIUM ENDED 31 DECEMBER 1999

1. The Administrator has the honor to submit his financial report for the biennium ended 31 December 1999, together with the audited financial statements of the United Nations Development Programme (UNDP) for the biennium ended 31 December 1999 and the report of the Board of Auditors. This submission is made in conformity with the Financial Regulations of the United Nations Development Programme. The financial statements consist of statements and schedules, accompanied by notes, which are an integral part of the financial statements, and include all trust funds established by the Administrator as well as all funds established by the General Assembly and administered by UNDP.

2. The UNDP financial statements incorporate expenditure data obtained from the Executing agents. As far as possible, the data are obtained from the agents' audited statements or, when such statements are not available at the time of the year-end closing of the UNDP accounting records, either from the agents' statements as submitted for audit or from the agents' unaudited statements.

3. As at the date of preparation of the present financial statements, the status of information received from the Executing agents was as follows:

(a) Audited statements were provided by the following Executing agents:

IMF	International Monetary Fund
WMO	World Meteorological Organization
WTO	World Tourism Organization

(b) Statements as submitted for audit or unaudited statements were provided by the following executing agents:

AfDB	African Development Bank
AsDB	Asian Development Bank
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCWA	Economic and Social Commission for Western Asia
ECA	Economic Commission for Africa
ECE	Economic Commission for Europe
ECLAC	Economic Commission for Latin America and the Caribbean
IAEA	International Atomic Energy Agency
IBRD	International Bank for Reconstruction and Development (World Bank)
ICAO	International Civil Aviation Organization
IFC	International Finance Corporation
ILO	International Labour Organization
IMO	International Maritime Organization
IMF	International Monetary Fund
IOM	International Organization for Migration
ITU	International Telecommunication Union
ITC	International Trade Centre
UNDESA	United Nations Department of Economic and Social Affairs
UNCHS	United Nations Center for Human Settlements
UNCTAD	United Nations Conference on Trade and Development
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organization
UNITAR	United Nations Institute for Training and Research
UPU	Universal Postal Union
WHO	World Health Organization
WIPO	World Intellectual Property Organization

Changes in accounting practices and policies in the biennium

Accounting policies

4. A summary of significant accounting policies applied in the preparation of the financial statements is provided in note 2 to the financial statements. Overall policies are the same as those applied in the 31 December 1997 financial statements. Changes in accounting policies, if any, properly are disclosed in the aforementioned note 2.

Presentation of accounts

Format:

5. Following the recommendation by the Administrative Committee on Coordination (ACC) on the common inter-organization accounting standards and harmonized presentation of financial statements, UNDP has fully adopted the recommended format for the biennium ended 31 December 1999.

6. In addition, the Executive Board may recall its decision 97/6 harmonizing the budget presentation for UNDP, UNICEF and UNFPA. The new harmonized format distinguishes UNDP Regular Resources from its Other Resources (Cost-sharing, Government Cash Counterpart Contributions, Trust funds established by UNDP, Reimbursable support services activities and other miscellaneous activities) and from the activities of the Funds established by the General Assembly and administered by UNDP (United Nations Capital Development Fund [UNCDF], United Nations Volunteers [UNV], United Nations Development Fund for Women [UNIFEM], United Nations Revolving Fund for Natural Resources Exploration [UNRFNRE] and United Nations Fund for Science, Technology and Development [UNFSTD]). UNDP adopted this decision beginning in 1996-1997 in order to facilitate the Board's review of the biennium financial results.

Table 1: Combined Income and Expenditure for the biennium ended 31 December

(millions of United States dollars)

	Regular Resources		Other Resources		Funds		Total [1]	
Income	**1999**	1997	**1999**	1997	**1999**	1997	**1999**	1997
Contributions-net	**1427.1**	1608.9	**3410.0**	2675.0	**148.5**	143.2	**4985.6**	4427.1
Interest income	**68.3**	87.1	**127.1**	95.1	**20.8**	19.5	**216.2**	201.7
Other income-net	**9.0**	2.2	**84.2**	61.2	**17.3**	25.6	**110.5**	89.0
TOTAL INCOME	**1504.4**	1698.2	**3621.3**	2831.3	**186.6**	188.3	**5312.3**	4717.8
Expenditure								
Programme	**1077.8**	1191.4	**3275.1**	2303.3	**159.8**	133.7	**4512.7**	3628.4
Programme support - Implementing agents	**89.9**	113.0	**57.5**	46.3	**6.2**	5.1	**153.6**	164.4
Biennial support budget	**493.1**	485.6	**169.6**	131.9	**28.7**	34.4	**691.4**	651.9
Support to Resident Coordinator	**21.0**	6.7	**0.7**	4.2	-	-	**21.7**	10.9
UNDP sectoral support	**0.5**	11.1	-	-	-	-	**0.5**	11.1
Other expenditure	**10.0**	47.4	**3.3**	15.0	**0.6**	0.7	**13.9**	63.1
TOTAL EXPENDITURE	**1692.3**	1855.2	**3506.2**	2500.7	**195.3**	173.9	**5393.8**	4529.8
Excess (shortfall) of Income over Expenditure	**(187.9)**	(157.0)	**115.1**	330.6	**(8.7)**	14.4	**(81.5)**	188.0
Net excess (shortfall) of Income over Expenditure	**(187.9)**	(157.0)	**115.1**	330.6	**(8.7)**	14.4	**(81.5)**	188.0
Unexpended Resources:								
Opening balance	**285.0**	438.9	**1199.1**	886.7	**130.8**	124.7	**1614.9**	1450.3
Transfers, refunds and savings	**9.9**	3.1	**(63.2)**	(18.2)	**(4.4)**	(8.3)	**(57.7)**	(23.4)
Closing balance	**107.0**	285.0	**1251.0**	1199.1	**117.7**	130.8	**1475.7**	1614.9

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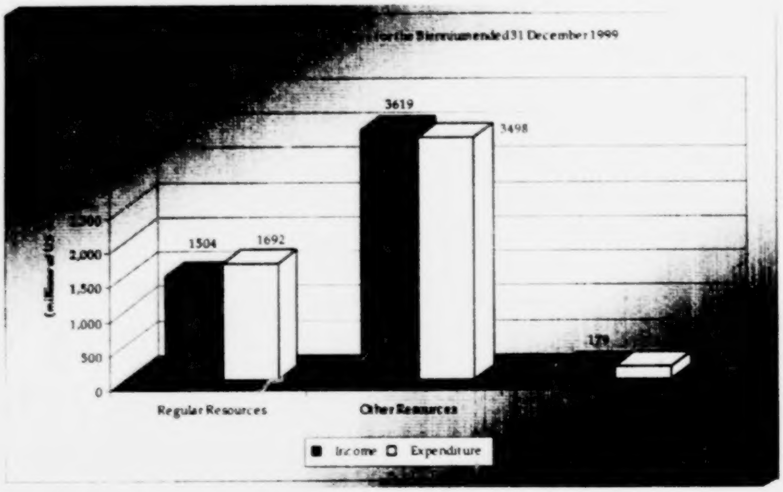
[1] Aggregate totals only. Not consolidated

7. UNDP completed the 1998-1999 biennium with overall mobilization of US$5.0 billion in contributions, of which 28.6 per cent pertained to its Regular Resources activities, 49.2 per cent to Cost-sharing activities, 12.5 per cent to specific Trust funds' activities, 6.7 per cent to reimbursable support services and miscellaneous activities and 3.0 per cent collected through its administered Funds established by the General Assembly.

8. The total expenditure amounted to US$5.4 billion out of which 83.7 per cent (US$4.5 billion) was spent in programme/project activities, 2.9 per cent (US$153.6 million) in support costs paid to other UN agents 0.6 per cent on miscellaneous costs, and 12.8 per cent (US$691.4 million) for the biennial support budget.

Figure 1: **Summary of Income and Expenditure for the biennium ended 31 December 1999**



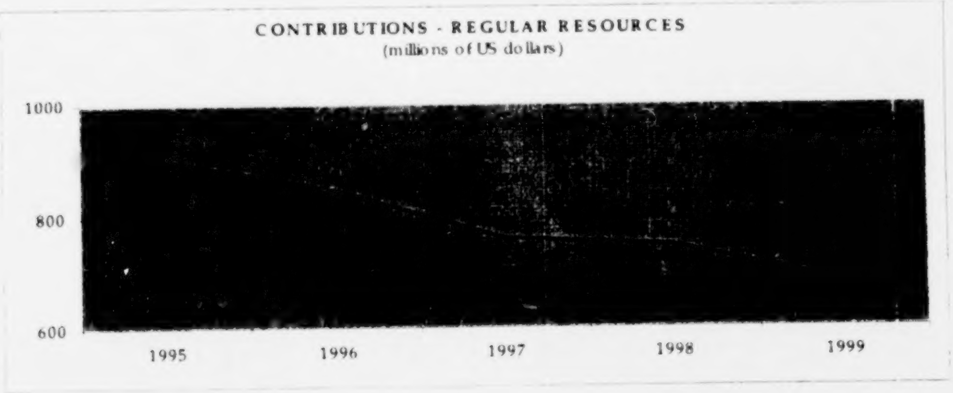
Regular Resources

Income

9. Voluntary contributions declined by 11.3 per cent ($182 million) in comparison to the previous biennium.

10. The average rate of return on investments was around 5 per cent. Other income mainly comprised exchange gains and losses.

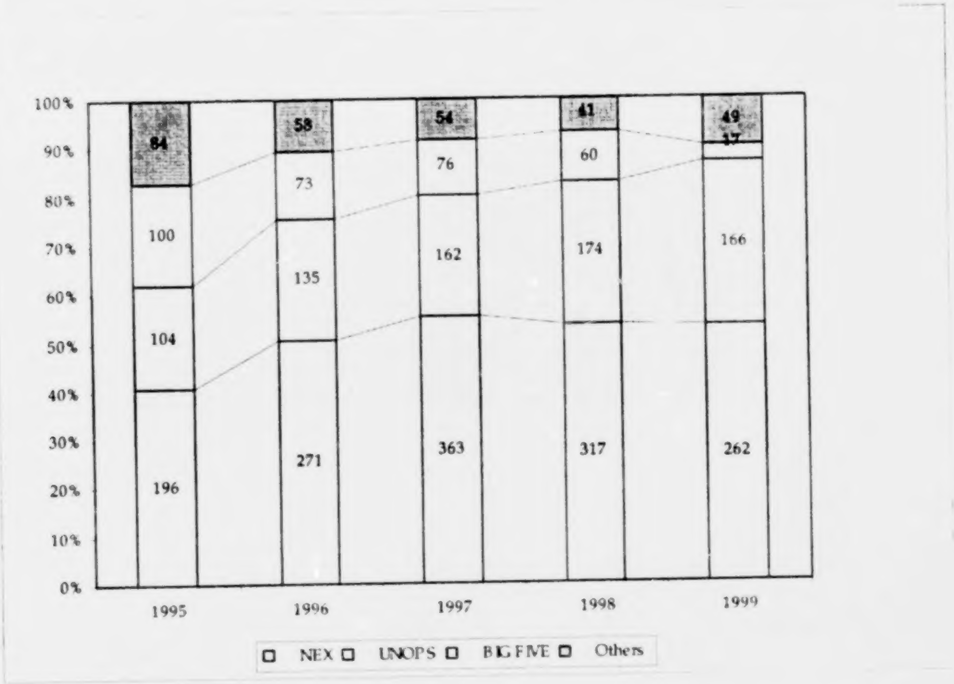
Figure 2: Contributions for Regular Resources Activities for the twelve months ended 31 December



Expenditure

11. Programme expenditure (including programme support) declined by US$100 million from US$1.3 billion in 1996-1997 to US$1.2 billion in 1998-1999. This was consistent with the reduction overall in contributions to regular resources. National Execution (NEX) remained the leading modality for project execution, in keeping with UNDP policy. In 1998-1999, recipient countries executed US$579.3 million or 53.8 per cent of programme expenditure for Regular resources. This compared to US$634 million or 53.2 per cent of programme expenditure for Regular resources for 1996-1997 biennium.

Figure 3: Expenditure by Execution Modality for the twelve months ended 31 December



12. There was a 36 per cent decrease in UN systems' share of programme expenditure from US$260.3 million in 1996-1997 to US$166.5 million in 1998-1999. The marked decline in the share of projects executed by the "Big 5" was primarily because of a transfer of expenditure from Regular Resources, incurred by UNDP as part of its activities under the UN Iraq Oil for Food Programme, to a designated Trust Fund under Other Resources.

13. The support budget expenditure for 1999 was higher than that in 1998, representing to a large extent the normal trend of higher expenditures in the second year of the biennium. In reviewing the 1998-1999 biennium the gross support budget expenditure of US$544.5 million represented a marginal 2.8 per cent increase over expenditure of US$529.8 million in 1996-1997. The net 1998-1999 biennial support budget expenditure was US$493.1 million, US$25 million below the approved 1998-1999 net budget, which represents overall savings of 5 per cent. By appropriation group, 55 per cent (57 per cent in 1996-1997) was spent on programme support activities, 23 per cent on management and administration (21 per cent in 1996-1997) and 22 per cent on Support to Operational Activities of the United Nations System (22 per cent in 1996-1997). In total 66 per cent of expenditures were related to Country Offices with the remaining 34 per cent attributed to headquarters locations including United Nations Volunteers (UNV) and Inter Agency Procurement Services (IAPSO).

Unexpended resources

14. The decrease in voluntary contributions accompanied by a smaller decrease in programme/project delivery resulted in a decrease in unexpended regular resources to US$107 million as at 31 December 1999, about one and a half months of total expenditure. This compares to US$285 million, about four months of expenditure, in the previous biennium.

Other Resources Activities

Figure 4: Income for Other Resources Activities for the biennium ended 31 December 1999

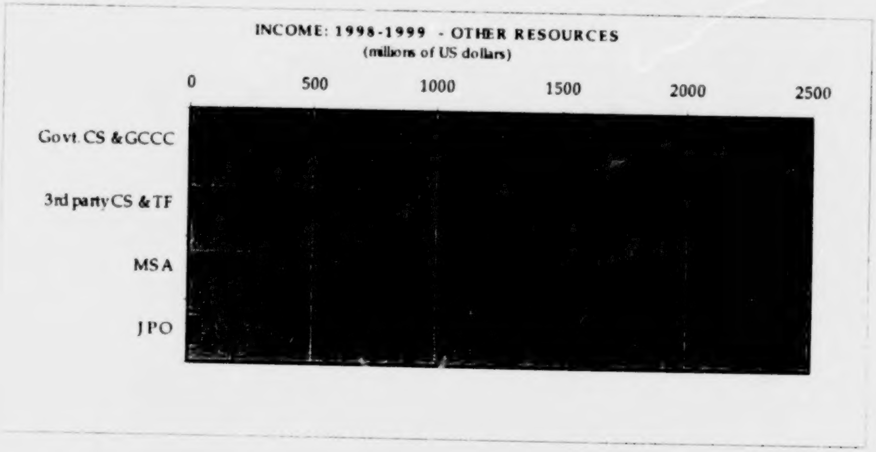


Table 2. Other resources activities: Statement of income and expenditure for the biennium ended 31 December

(millions of United States dollars)

	UNDP cost-sharing		Government cash counterpart contributions		Trust funds established by UNDP		Management service agreements		Junior Professional Officers		Reserve for Field Accomodation		Reimbursable Support Services		Special Activities		Eliminations		Total	
	1999-1998	1996-1997	1999-1998	1996-1997	1999-1998	1996-1997	1999-1998	1996-1997	1999-1998	1996-1997	1999-1998	1996-1997	1999-1998	1996-1997	1999-1998	1996-1997	1999-1998	1996-1997	1999-1998	1996-1997
INCOME																				
Contributions	2452	1742	11	18	604	541	283	315	53	54	-	-	-	-	8	4	-	-	3411	2674
Interest income	49	33	-	-	50	44	17	13	-	-	-	-	11	6	-	-	-	-	127	96
Other income	-	-	-	-	-	1	-	-	-	-	6	8	164	132	-	-	(87)	(80)	83	61
TOTAL INCOME	2501	1775	11	18	654	586	300	328	53	54	6	8	175	138	8	4	(87)	(80)	3621	2831
EXPENDITURE																				
Programme	2270	1517	7	13	642	406	306	320	50	47	-	-	-	-	-	-	-	-	3275	2303
Programmes support implementing agents	27	21	-	-	23	20	-	-	6	6	-	-	-	-	-	-	-	-	56	47
Programmes support to resident coordinator	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	4	-	-	1	4
Biennial support budget: net	77	71	-	-	33	29	-	-	-	-	3	4	134	106	9	2	(87)	(80)	169	132
Other expenditure	-	-	-	-	3	-	-	-	-	-	-	15	-	-	-	-	-	-	3	15
TOTAL EXPENDITURE	2374	1609	7	13	701	455	306	320	56	53	3	19	134	106	10	6	(87)	(80)	3504	2501
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	127	166	4	5	(47)	131	(6)	8	(3)	1	3	(11)	41	32	(2)	(2)	-	-	117	330
Savings on obligations of prior biennium	-	-	-	-	--	-	-	-	-	-	-	-	1	1	-	-	-	-	1	1
Transfer (to) from reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Refunds to donors and transfers (to)/ from other funds: net	-	-	-	-	(5)	(21)	(4)	(1)	-	-	(3)	-	(54)	-	-	3	-	-	(66)	(19)
Fund balances, 1 January 1998	573	407	16	11	444	334	82	75	8	7	(6)	5	81	48	1	-	-	-	1199	887
FUND BALANCES, 31 DECEMBER 1999	700	573	20	16	392	444	72	82	5	8	(6)	(6)	69	81	(1)	1	-	-	1251	1199

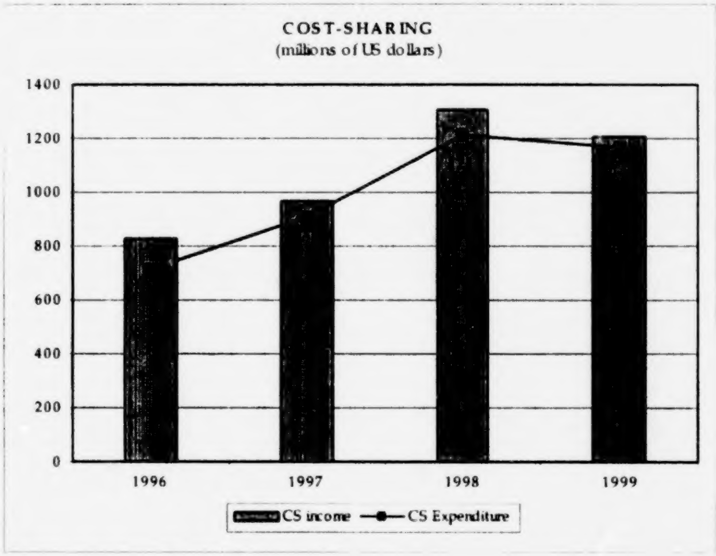
15. The most notable increase in the Other Resources activities was in Cost-sharing, which increased 41 per cent to US$2.5 billion during the biennium. Trust fund income increased by 4.6 per cent to US$654 million.

Cost-sharing

16. This funding modality continued to gain in importance with a total contribution increase of US$709.9 million (40.8 per cent) over the biennium 1996-1997. Out of the total US$2,451.7 million received in 1998-1999, US$326.4 million was attributable to third party cost sharing (US$187 million in 1996-1997) and $2125.3 million to recipient Governments (US$1,464 million in 1996-1997).

17. Programme expenditure and support costs paid to the UN and other Implementing agents of $2,297.8 million in the 1998-1999 biennium represents an increase of $761 million over the comparative amount of $1,537.4 million in the 1996-1997 biennium. The Biennial support budget of US$76.6 million comprises charges for services provided by UNDP to Cost-sharing activities.

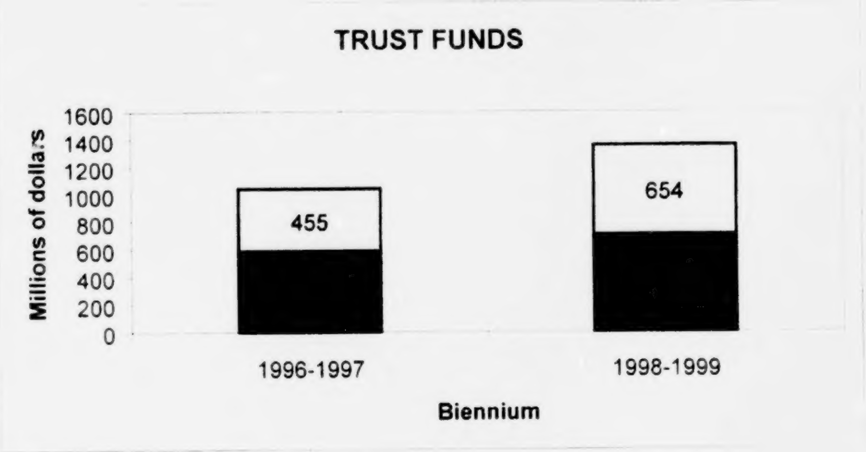
Figure 5: **Summary of Cost-sharing Income and Expenditure for the twelve months ended 31 December**



Trust Funds established by United Nations Development Programme

18. The detailed financial results of the Trust funds are on schedules 5 to 5.3. A total of 72 Trust funds and 70 Sub-trust funds were established during the biennium 1998-1999 whereas 7 Trust funds and 1 Sub-trust fund were closed. The environmental sector is capturing most of the Trust funds' resource mobilization. In 1998-1999, GEF, Montreal Protocol, "Capacity 21" and UNSO captured US$228.8 million of contributions; this amounts to 37.9 per cent of the total Trust funds contributions of $603.8 million. Countries/Territories in special situations, such as Rwanda, Angola, Palestine Territory, etc., are the second most important sector in the Trust funds' activities.

Figure 6: Summary of Trust Funds Income and Expenditure for the biennium ended 31 December



Trust Fund to Combat Desertification and Drought (UNSO)

19. During the biennium, UNSO continued to provide technical support and catalytic funding to some 45 countries in Africa, Latin America and the Caribbean, Asia, member countries of the Commonwealth of Independent States and the Arab States in their efforts to develop National Action Programmes and to 22 countries in Africa, Latin America and the Caribbean, and Asia for the establishment of National Desertification Funds, in the context of the implementation of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and Desertification. In a similar way, UNSO has worked with the Permanent Inter-State Committee for Drought Control in the Sahel (CILLS), the Southern African Development Community (SADC), the Intergovernmental Authority on Development (IGAD), the Arab Maghreb Union (AMU), and the Gran Chaco, Central America and Puna Regions to develop sub-regional action programmes in their communities. UNSO also continues to backstop a portfolio of down-stream projects covering various activities relevant for combating desertification and drought.

20. Total Programme expenditure declined from US$10.7 million in 1996-1997 to US$9.9 million in 1998-1999. The resources mobilized declined by 68.1 per cent from US$13.8 million to US$4.4 million.

Trust Fund for the Global Environmental Facility (GEF)

21. Four formal GEF Council meetings were held during the spring and fall of 1998-1999. In addition, four informal inter-sessional GEF Council meetings were held in the summer and winter during which the GEF Corporate Business Plans and Corporate Administrative Budgets, as well as the individual work programme allocation targets for UNDP/GEF, were reviewed and approved by the GEF Council for the fiscal years 1999 and 2000. The GEF Secretariat also conducted a separate Project Implementation Review exercise in 1998 and 1999 with respect to all GEF funded full-sized projects.

22. During the 1998-1999 biennium, GEF's approved work programmes and administrative budgets amounted to a total of US$362.0 million, 50 per cent more than the 1996-1997 work programme (US$226.5 million). Total programme

expenditure amounted to US$134.9 million in 1998-1999 in comparison to US$106.6 million in 1996-1997 (an increase of 26.6 per cent).

23. Income from replenishments received from the GEF Trustee of the World Bank in 1998-1999 amounted to US$130.0 million (US$110.0 million in 1996-1997). In addition, GEF has received US$9.9 million in cost-sharing, sub-trust funds' projects and other contributions (US$1.7 million in 1996-1997).

Multilateral Fund for the Implementation of the Montreal Protocol

24. The Multilateral Fund for the Implementation of the Montreal Protocol was established in 1991 with a mandate to implement national programmes to phase out chlorofluorocarbons (CFCs), halons and other ozone depleting substances. Four implementing agencies have been designated to implement this programme: UNDP, UNEP, UNIDO and the World Bank.

25. To achieve this objective, UNDP's activities include:

- Formulation of national country programmes for the Montreal Protocol
- Technical training and demonstration projects
- Institutional strengthening/national capacity building
- Technology transfer investment projects.

26. Contributions received for 1998-1999 amounted to US$77.5 million (US$67.2 million in 1996-1997). Total programme expenditure amounted to US$70.2 million in 1998-1999 (US$61.2 million in 1996-1997).

"Capacity 21" Trust Fund

27. "Capacity 21" is now in its seventh year of operation, has programmes in developing countries in all regions of the world, and has began monitoring progress, distilling results and lessons, and creating a body of knowledge that will be of material benefit to other countries. The total resources mobilized in 1998-1999 were US$6.9 million (US$18.8 million in 1996-1997), a decrease of 63.3 per cent over 1996-1997. During the biennium, total programme expenditure amounted to US$16.1 million (US$14.9 million in 1996-1997), an increase of 8 per cent.

UNDP Energy Account

28. Energy Account activities, which fully are financed from extra-budgetary resources, focus on FINESSE (Financing Energy Services for Small Scale Energy Users) which supports policy dialogue, institutional strengthening, regulatory framework and capacity development to provide technically feasible and economically viable renewable energy and energy efficiency services to residential, commercial and industrial energy users. These activities are designed to create the conditions and mechanisms for the credit sector to on-lend capital to small-scale energy users. FINESSE is in line with the UNDP Initiative for Sustainable Energy (UNISE) which is based on the fact that traditional approaches to energy will make energy a barrier to socio-economic development and are not sustainable. FINESSE activities are presently being implemented in selected countries in Asia, in partnership with the World Bank. Activities in the SADC region of Africa have been completed and follow-up will soon be initiated in partnership with the African Development Bank. Energy Account received contributions of US$1.8 million in 1998-1999 (US$2.2 million in 1996-1997) against total expenditure of US$2.2 million (US$4.5 million in 1996-1997).

UNDP Fund for the Programme of Assistance to the Palestinian People (PAPP)

29. The UNDP Fund for the Programme of Assistance to the Palestinian People (PAPP) programming strategy is based on two objectives:

(a) To utilize the Fund's limited core resources in a catalytic manner, so as to launch high-priority, capacity-building programmes that are subsequently sustained and expanded largely through Voluntary bilateral donor contributions;

(b) To ensure the sustainability of these capacity-building programmes through the utilization of joint implementation structures, ensuring the long-term viability and local accountability of the Palestinian counterparts.

30. Total income received amounted to US$68.8 million in 1998-1999 compared to $83.1 million in the 1996-1997 biennium, a decline of 17.2 per cent. These resources were mobilized through contributions to the main trust fund and the establishment of new sub-trust funds. Programme expenditure in 1998-1999 amounted to US$66.4 million (US$72.6 million in 1996-1997) making UNDP one of the three largest implementers of donor-funded projects in the Occupied Palestinian Territory. Pursuant to the strategies and initiatives identified in its programme framework (1996-1998) the Fund, during the biennium, continued to increase its focus on the expansion of its advocacy role in the promotion of sustainable human development themes such as poverty elimination, sustainable livelihoods, gender in development and environmental management, as well as a number of infrastructure activities.

31. During 1998-1999, the Fund continued its activities launched in the prior biennium to enhance governance at the local, municipal and central level of the Palestinian Authority, taking full advantage of the considerable local expertise available in the area.

UNDP Trust Fund for Rwanda

32. The UNDP Trust Fund for Rwanda was established in April 1995 to enhance UNDP programme activities in support of the Government of Rwanda's Programme of National Reconciliation and socio-economic rehabilitation and Recovery.

33. In February 1997, direct execution by UNDP was approved for the Trust Fund for Rwanda. The rationale for authorizing UNDP Rwanda Country Office to apply direct execution was the result of a commitment made to the international community and to the Government of Rwanda to establish a UNDP managed system that could respond to the crisis quickly and effectively.

34. Projects in Rwanda directly executed by UNDP cover sectors, which are critical in the country context, such as the reintegration and re-installation of returnees, governance, justice and social development. Most projects are of short duration and quick impact.

35. As at 31 December 1999, the Trust Fund had 13 projects directly executed by UNDP. Total approved budgets for the directly executed projects were US$39 million, representing approximately 36 per cent of total approved budgets. Specialized agents of the UN system executed 16 per cent of approved budgets while national execution represented 48 per cent. All ten directly executed projects are fully subcontracted to implementing partners (international and local non-governmental organizations).

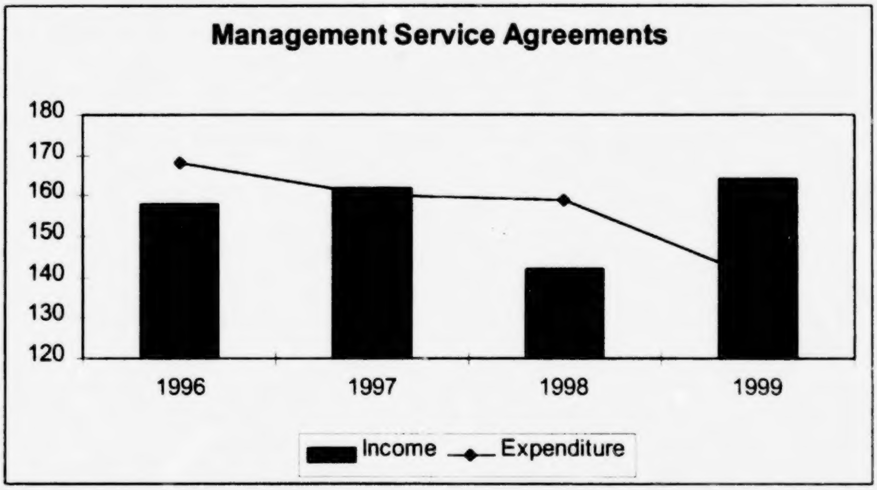
36. In 1998-1999, the UNDP Trust Fund for Rwanda mobilized US$32.2 million in contributions, compared to US$55.4 million in the 1996-1997 biennium. Programme expenditure of $47.1 million was incurred in 1998-1999 compared to US$29.2 in the 1996-1997 biennium. Unexpended resources as at 31 December 1999

were US$28.9 million, of which US$26.1 million had been committed to project activities.

Management Service Agreements (MSAs)

37. Management Service Agreements signed by UNDP with various donors (detailed on Schedule 6.1) are executed by UNOPS on behalf of UNDP. During the biennium 26 new agreements were implemented, 12 agreements were financially completed, and 32 were operationally completed. Total income declined 8.5 per cent in 1998-1999 to US$299.6 million compared to US$327.5 million in 1996-1997. Total expenditure declined by 4.4 per cent in 1998-1999 to US$306.0 million) from US$319.8 million in 1996-1997.

Figure 7: **Summary of Income and Expenditure for Management Service Agreements for the twelve months ended 31 December**



Junior Professional Officers programme (JPOs)

38. UNDP currently has 337 Junior Professional Officers in active service under this programme, financed by 19 countries.

39. UNDP received $53 million in Contributions for the JPO programme in the 1998-1999 biennium compared to US$54.5 million in 1996-1997. Total expenditure increased to US$56.5 million in 1998-1999 from US$53.1 million in 1996-1997.

Reserve for Field Accommodation (RFA)

40. With the support of the Executive Board, UNDP is moving towards the disposal of houses and offices it owns in the field and has in the past established provisions for asset write-downs as was deemed necessary.

41. Total income in the 1998-1999 biennium for the Reserve for Field Accommodation activities, which consists almost entirely of rental income, amounted to $5.5 million, a drop of $2.8 million from the $8.3 million recorded in the 1996-1997 biennium. The Reserve for Field Accommodation Activity recorded an overall surplus of US$2.5 million in 1998-1999 compared to a deficit of US$10.7 million in 1996-1997.

Funds established by the General Assembly and administered by the United Nations Development Programme

42. The Funds established by the General Assembly are: UNCDF, UNV, UNIFEM UNRFNRE and UNFSTD. Their financial results are detailed in schedules 7 to 7.3. UNCDF, UNV and UNIFEM remain the most active of the Funds. In both the 1998-1999 and 1997-1997 biennia, their programme delivery represented 99 per cent of all Funds' activities. The combined income of the three Funds likewise constituted 98.7 per cent of all income of the Funds in the biennium under review compared to 98.8 per cent in 1996-1997.

United Nations Capital Development Fund (UNCDF)

43. The United Nations Capital Development Fund's (UNCDF)main goal is to help reduce poverty through local development programmes and microfinance operations. The Fund defines its particular approach as investing with the poor. This approach aims to build the productive capacity and self-reliance of poor communities by increasing their access to essential local infrastructure and services and by strengthening their influence over economic and social investments that directly affect their lives and livelihoods.

44. UNCDF's priorities during the 1998/99 biennium were to complete an in-depth review of its instruments and approaches and to publish its new policies on local governance and microfinance. During the biennium the Fund was evaluated by its donors and the positive conclusions were endorsed by the Executive Board in September 1999. UNCDF also realigned programmes and projects to its new policies, concentrated on reducing administrative costs, and emphasized the importance of replication by attracting other donors and governments to upscale its pilot programmes.

45. Core contributions were US$57.9 million with US$ 30.5 million in 1998 and US$27.4 million in 1999. The decrease from 1998 is attributable to adverse exchange rates as well as one donor withdrawing from providing core funding. Nevertheless the number of donors increased from 13 in 1998 to 17 in 1999. Eleven projects were approved in 1998 for US$36.3 million and 13 projects approved in 1999 for US$56.3 million. While the 1998 targets were not reached due to emergency situations in some of the Fund's programme countries, the 1999 targets were surpassed as project approvals from 1998 were brought forward into 1999. Project expenditures (including programme support costs) for 1998 and 1999 were US$43.7 million and US$ 44.1 million respectively. Project expenditures were very close to targets in both years.

United Nations Volunteers (UNV)

46. UNV achieved sharp growth in the number of volunteers in its programmes during the 1998-1999 biennium. In 1998 there were 3643 serving volunteers in 4047 assignments. In 1999 the number increased to 4383 serving volunteers in 4755 assignments.

47. The large increase was a result of large-scale involvement in East Timor before, during and after the popular consultation, and in elections in Indonesia. Africa continued to be the region where the Programme is most active and where most volunteers carry out their assignments.

48. The volunteers work in a variety of roles as international UNV specialists, national UNVs, UNV fieldworkers and UNISTAR short-term advisors for business and industry. During the biennium, they represented 141 nationalities and served in 148 countries. This demonstrates the universality of the UNV programme, encompassing all regions of the world and providing a channel for the exchange of appropriate skills within and among regions.

49. Besides the traditional sources of funding such as voluntary contributions, cost-sharing and sub-trust funds, appearing for the first time in the income category in the 1998-1999 biennium are Fully-Funded arrangements and UN Joint Ventures. Fully Funded arrangements represent volunteer assignments directly funded by donor governments that support programme activities of UNV within UNDP projects and the United Nations system. UN Joint Ventures represent UN Volunteers participating in United Nations peace operations.

50. Of note in the 1998-1999 biennium was the increase in funding for the Cost-sharing, Full Funding and UN Joint Ventures modalities, and a slight reduction in direct contributions to Voluntary activities and sub-trust funds. The reduction in contributions for Voluntary activities was mainly a result of adverse movements in exchange rates. Total income in 1998-1999 was US$55.6 million, a reduction of US$6.9 million from US$62.5 million in the previous biennium.

51. There were notable increases in programme expenditure in the 1998-1999 biennium for all categories when compared to the previous biennium, except for sub-trust funds which showed only a marginal increase. Total programme expenditure recorded for the biennium 1998-1999 was US$43.7 million, an increase of US$11.1 million (34 per cent) over the US$32.6 million recorded in the 1996-1997 biennium. The overall increase in programme expenditure reflects a conscious effort by management to programme available resources.

United Nations Development Fund for Women (UNIFEM)

52. United Nations Development Fund for Women's (UNIFEM) Strategy and Business Plan which covered the four-year period from 1997 to 1999. The plan aimed to expand the Fund's donor base and increase the amount of contributions flowing into UNIFEM. During the current biennium, UNIFEM continued to focus its efforts on its three thematic areas and to refine the principles of results-based management.

53. Total contributions for UNIFEM increased by US$9.9 million or 28.6 per cent to US$44.5 million in the 1998-1999 biennium from US$34.6 million in the comparative 1996-1997 biennium. The increases were recorded in Voluntary contributions (US$7.3 million) and Sub-trust Funds (US$5.0 million), compensated by a decline in cost-sharing of (US$2.4 million). The reduced funding for cost-sharing was a result of certain donors not following through on earlier pledges.

54. Programme expenditure increased by US$7.2 million (33.7 per cent) to US$28.5 million in the 1998-1999 biennium from US$21.3 million in 1996-1997. Regular resources expenditure rose to US$20.3 million in 1998-1999 from US$14.3 million in 1996-1997, an increase of US$6 million or 42.3 per cent. Sub-trust fund expenditure increased by US$2.6 million to $4.3 million in the 1998-1999 period, a jump of 75 per cent from US$1.7 million in 1996-1997. By contrast, cost-sharing expenditure declined in 1998-1999 by US$1.5 million to US$3.9 million from US$5.4 million in 1996-1997.

55. Unexpended resources at 31 December 1999 were US$19.1 million, an increase of US$6.8 million from US$12.3 million on 31 December 1997. The level of the Operational Reserve was reviewed in accordance with Executive Board decision 97/4 of January 1997, and the reserve was increased to $6.7 million as at 31 December 1999 (31 December 1997: US$3.5 million).

United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE)

56. Voluntary contributions increased by US$0.2 million to US$1.7 million in 1998-1999 (1996-1997: US$1.5 million). Total expenditure increased by US$0.4 million to US$2.2 million in 1998-1999, from US$1.8 million in 1996-1997. Unexpended resources as at 31 December 1999 were US$3.1 million.

57. As noted at its third regular session in September 1999 (DP/1999/42) the Executive Board endorsed the plans to phase out the activities of the UNRFNRE by the end of 2000. These plans will ensure that all existing projects and contractual commitments are accomplished in a responsible manner.

United Nations Fund for Science and Technology for Development (UNFSTD)

58. As at 31 December 1999, the total unexpended resources were US$0.74 million of which US$0.67 million has been allocated to projects. UNDP has appointed an interim fund manager to oversee the closure of the Fund.

59. Should there be any residual funds, UNDP will inform the donors accordingly and obtain their agreements to transfer the remaining balance to the BDP programme as cost sharing contributions for Information Technology/Development related activities.

II. REPORT OF THE BOARD OF AUDITORS

Summary

The Board of Auditors has reviewed the operations of the United Nations Development Programme (UNDP). The Board has audited the financial statements for the biennium ended 31 December 1999 and conducted management audits covering change management, procurement, green office policy, project management in country offices and the internal audit function of the Office of Audit and Performance Review.

The Board's main findings are as follows:

Financial Issues

(a) UNDP reported expenditure of $2.653 billion on nationally executed projects for the biennium 1998-1999, an increase of 27 per cent over the corresponding figure for the previous biennium. In addition, it reported national execution expenditure of $226 million on projects funded from the Trust Funds and other funds established by UNDP. The Board had insufficient audit assurance for some $723 million of this expenditure and has accordingly restricted the scope of its opinion;

(b) UNDP's total expenditure from regular resources in 1998-1999 of $1.692 billion exceeded its total income of $1.504 billion by $188 million. UNDP's total income from other resources in 1998-1999 of $3.621 billion exceeded its total expenditure of $3.506 billion by $115 million;

(c) Although UNDP planned for the Integrated Management Information System to go live on 1 January 1999, this was delayed until 1 April 1999. UNDP was only able to start entering the majority of its expenditure data onto the system from September 1999. Such delays led to weaknesses in financial control during 1999;

(d) As at 20 July 2000, UNDP had not completed the reconciliation of its main contribution bank account. Unadjusted items included disbursements of $5,269,711 that were shown in the accounting records but not in the bank statement and $5,828,766 of disbursements that were shown in the bank statements but not in the accounting records. Accordingly, the Board has restricted the scope of its opinion in this regard;

Change Management

(e) The Board was unable to determine the full cost of the UNDP 2001 initiative. While non-core expenditure of $5 million could be attributed directly to UNDP 2001 activities, UNDP did not record the value of core costs used for the initiative;

Procurement

(f) UNDP Headquarters had not established a database of possible suppliers to assist it in letting contracts for goods and services. In addition, UNDP did not evaluate the performance of contractors on a systematic basis;

(g) In 12 major headquarters contracts involving a total amount of over $4.7 million UNDP took an average of 195 days between the date it issued Invitations to Tender or Requests for Proposals, and the date it signed a contract;

Green Office Policy

(h) UNDP had not yet established an Environmental Management Strategy for its internal operations;

Project Management in Country Offices

(i) In country offices, many of the projects reviewed were not carried out within the timeframe originally set out in the Project Document. In ten projects (39 per cent) there were delays in starting the project, which generally ranged between one and nine months, but in one project the delay was four years;

(j) For projects funded from other resources, UNDP's standard practice is that it does not incur expenditure before receiving funding. However, for projects funded by one major donor, the donor's practice is to pay a proportion of the funding in arrears once the project has been delivered. These approaches are mutually incompatible, and in accepting such funding, UNDP in effect accepted the donor's financial mechanisms;

(k) Country offices varied in the depth and timeliness of their monitoring and evaluation of projects and many projects did not have quantified performance indicators or targets which would allow country offices to conduct effective monitoring;

Internal Audit

(l) During 1998-1999 the total cost of the Office of Audit and Performance Review (OAPR) was some $6 million, excluding the cost of international staff. This amount included $2.3 million paid to contractors for audit work in three regions, $1.1 million in travel costs, $1.2 million for consultants and short-term assistance .

(m) OAPR does not maintain standing data on the organization's systems of control. It considers that, in the constantly changing environment within which UNDP currently operates, there is a risk that such standing information would become obsolete within a short timeframe. Furthermore, OAPR did not have an overarching audit manual that sets out internal audit standards as recommended by the Institute of Internal Auditors; and

(n) OAPR contracted out its audits of country offices in the Africa, Asia and the Pacific, Arab States and Latin American and the Caribbean regions to four private audit firms. Although it required the audit contractors to conduct thorough reviews of their own working papers and to co-ordinate and control the quality of their services, the Board noted instances of poor quality audit work from the contractors.

The Board made recommendations to strengthen accountability, improve the cost monitoring and management of major projects, improve procurement procedures, strengthen implementation of green office policies, increase the training of internal audit staff and establish better internal audit documentation and guidance.

A list of the Board's main recommendations is included at paragraph 10 of the present report.

A. Introduction

1. The Board of Auditors has audited the financial statements of the United Nations Development Programme (UNDP) for the period from 1 January 1998 to 31 December 1999. The audit was conducted in accordance with article XII of the Financial Regulations and Rules of the United Nations and the annex thereto, and the common auditing standards of the Panel of External Auditors of the United Nations, the specialised agencies and the International Atomic Energy Agency. These standards require that the Board plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

2. The audit was conducted primarily to enable the Board to form an opinion as to whether the expenditures recorded in the financial statements for the period from 1 January 1998 to 31 December 1999 had been incurred for the purposes approved by the governing bodies; whether income and expenditures were properly classified and recorded in accordance with the Financial Regulations and Rules; and whether the financial statements of UNDP presented fairly the financial position as at 31 December 1999. The audit included a general review of financial systems and internal controls and a test examination of accounting records and other supporting evidence, to the extent the Board considered necessary to form an opinion on the financial statements.

3. In addition to its audit of the accounts and financial transactions, the Board carried out reviews under article 12.5 of the Financial Regulations and Rules of the United Nations. The reviews primarily concerned the efficiency of financial procedures, the internal financial controls and, in general, the administration and management of UNDP. In 1998-99, the Board examined UNDP's project management, procurement, change management and environmental office management.

4. The Board continued its practice of reporting the results of specific audits in management letters, providing detailed observations and recommendations to management.

5. The present report covers matters that, in the opinion of the Board, should be brought to the attention of the General Assembly. The Board's observations on all matters contained in the present report were communicated to UNDP. UNDP has confirmed the facts on which the Board's observations and conclusions are based and provided explanations and answers to the Board's queries.

6. A summary of the Board's recommendations is contained in paragraph 10 below. Detailed findings are in paragraphs 12 to 206.

7. The General Assembly, in its resolution 52/212B of 31 March 1998, accepted the recommendations of the Board of Auditors for improving implementation of its recommendations approved by the Assembly subject to the provisions contained in the resolution. The Board's proposals, which were transmitted to the General Assembly in a note by the Secretary General (A/52/753, annex), included the following main elements:

(a) The need for specification of timetables for the implementation of recommendations;

(b) The disclosure of office-holders to be held accountable; and

(c) The establishment of an effective mechanism to strengthen oversight in regard to the implementation of audit recommendations. Such a mechanism could be in the form of either a special committee comprising senior officials or a focal point for audit and oversight matters.

The Board noted that UNDP had generally complied with those requirements.

1. Previous recommendations not fully implemented

8. In accordance with Section A, paragraph 7, of General Assembly resolution 51/225 of 3 April 1997, the Board has reviewed the action taken by UNDP to implement the recommendations made in its reports for the bienniums ended 31 December 1995 and earlier and confirms that there are no outstanding matters.

9. In accordance with General Assembly resolution 48/216B of 23 December 1993, the Board also reviewed the measures taken by UNDP to implement the recommendations made in its report for the period ended 31 December 1997. Details of the action taken and the comments of the Board are set out in the annex to the present report.

2. Main recommendations of the present report

10. The Board recommends that UNDP should:

(a) Ensure that it regularly follows up all outstanding audit reports, and concentrate its efforts on those countries where it has the greatest levels of national execution (para. 22);

(b) Complete the reconciliation of the main contributions account and make the necessary adjustments to its financial records (para. 37).

(c) In projects such as UNDP 2001, prioritise activities and devise measurable indicators and milestones to allow systematic monitoring of progress (para. 55);

(d) At the planning stage of future projects such as UNDP 2001, cost all the proposed activities and estimate the total cost of the initiative (para. 59);

(e) In future projects such as UNDP 2001, require project managers to collect and report all available costs, and central programme managers should include such information in regular status reports (para. 61);

(f) Set a clear timetable for the completion of tasks outstanding from UNDP 2001 (para. 70);

(g) Require all country offices to investigate the possibilities of agreeing common service contracts with other United Nations organizations, as a method of offering potential cash savings and administrative efficiencies (para. 75);

(h) Remind line units of the need to confirm receipt of goods and services promptly (para. 88);

(i) Establish a database of potential suppliers (para. 92);

(j) Develop more formal monitoring of supplier performance (para. 94);

(k) Undertake a cost benefit analysis to assess the savings likely to accrue from the development of a green procurement policy (para. 123);

(l) Follow up the recommendations made in the 1998 report on energy use and environmental impacts on the FF and DC1 buildings (para. 128);

(m) Introduce improved monitoring of paper use across divisions and that UNDP set a target for a reduction in paper use; also set standards for printer and copier use, for example ensuring that all machines default to double-sided printing (para. 135);

(n) At country offices, ensure executing agencies provide quarterly reports on progress of projects and take prompt corrective action when projects fall behind schedule (para. 140);

(o) Use the Financial Information Management shadow budgeting facility to implement a more realistic planning system and control the timing of project delivery (para. 143);

(p) Ensure that all Project Documents and revisions contain information on the overall project budget, broken down by sub-head and phased over the life of the project, and the overall project budget broken down by objective, or sub-objective (para. 145);

(q) Only prepare project plans on the basis of committed funding (para. 147);

(r) Ensure that all projects contain quantified and measurable performance indicators or targets, and measure the progress of a project against these criteria; also country offices should carry out regular monitoring and evaluation in line with its own guidelines (para. 153);

(s) Require OAPR to ensure that each member of staff receives sufficient training to ensure that the organization retains its technical competency (para. 166);

(t) Require OAPR to follow up on the Control Self Assessment workshop reports and, where applicable, use this information to inform its risk assessments and audit planning (para. 178);

(u) Require OAPR to document the key systems and controls and hold the information on permanent files to facilitate subsequent audits (para. 189); and

(v) Require OAPR to develop an internal audit manual that provides a framework for its future operations (para. 191).

11. The Board's other recommendations are shown in paragraphs 41, 42, 64, 67, 72, 79, 97, 102, 106, 117, 118, 125, 131, 149, 162, 171, 174, 181, 184, 186, 194, 199 and 203.

B. Financial Issues

1. United Nations Accounting Standards

12. The Board assessed the extent to which UNDP's financial statements for the biennium ended 31 December 1999 conform to the United Nations Accounting Standards. The review indicated that the presentation of the financial statements is generally consistent with the standards.

2. Programme expenditure incurred by Governments and executing agencies

13. The financial statements include details of expenditure incurred on UNDP's behalf by executing agencies and by Governments. This financial information is based on annual expenditure statements certified and submitted to UNDP each year. For each nationally executed project, UNDP prepares a combined delivery report that shows all of the expenditure incurred during the year. It sends this report to the respective Governments for certification by their independent auditors, whose audit reports are sent to UNDP.

14. United Nations agencies are required to provide a financial statement for every project that they undertake on behalf of UNDP. These statements are supported by audit reports, or letters of reliance from the agencies' own external auditors. The audit reports and letters of reliance are intended to provide confirmation that the UNDP funds were accurately reported and properly expended.

15. The Board relies on the work of other external auditors, as evidenced by the audit reports and letters of reliance, to gain adequate assurance that the funds advanced to executing agencies and Governments, and reported in the UNDP financial statements, have been properly expended on UNDP and UNDP Trust Fund projects. In 1998-1999, United Nations executing agencies and Governments expended $3.568 billion under these arrangements.

Audit Reports from executing agencies

16. UNDP reported that United Nations executing agencies incurred expenditure of $668 million on its behalf during 1998-1999. The Board noted differences between the expenditures reported by the agencies and the amounts disclosed in UNDP's financial statements.

17. During 1998 and before, UNDP provided executing agencies with quarterly Operating Fund Statements. Due to the reporting problems associated with the

implementation of IMIS, UNDP did not provide agencies with the Statements during 1999 and was unable to provide year-end Statements until 24 February 2000. These Statements were not complete due to the late entry of data onto IMIS, and UNDP did not issue complete and accurate versions until 12 April 2000. The thirty agencies are required to provide UNDP with a reconciliation of this Statement to their own status of funds, on which their auditors report.

18. As at 7 July 2000, because of the late issuance of the Operating Fund Statements, ten executing agencies had been unable to provide reconciliations of some $20 million to UNDP. As a result, the Board had insufficient audit evidence to express an opinion on these expenditures. For the twenty reconciliations received, the agencies had reconciled to the incomplete Operating Fund Statement sent on 24 February 2000. As a result, the Board noted differences of $64 million between the amounts reported by executing agencies and the amounts recorded by UNDP. UNDP did not undertake a full analysis of these differences.

Audit reports from Governments

19. For 1998-1999, UNDP country offices, in consultation with the government coordinating authorities, were responsible for drawing up annual audit plans to ensure sufficient audit coverage within each country. The Office of Audit and Performance Review was responsible for coordinating and consolidating the individual country office audit plans and reviewing the results of the audits.

20. In schedule 2 of the financial statements, UNDP reported expenditure of $2.653 billion on nationally executed projects for the biennium 1998-1999, an increase of 27 per cent over the corresponding figure for the previous biennium. In addition, it reported national execution expenditure of $226 million on projects funded from the Trust Funds and other funds established by UNDP.

21. As at 26 June 2000, UNDP had received 1278 audit reports for 1998 and 901 for 1999. After reviewing the audit reports the Board had sufficient assurance to support expenditure of $2.156 billion of the nationally executed expenditure for the biennium. For the remainder, representing some $723 million, for which UNDP received no audit reports, the Board had insufficient audit assurance and has accordingly restricted the scope of its opinion to exclude this expenditure. While this represents an increase of $203 million in absolute terms compared with 1996-1997, when the Board reported that UNDP had not received audit reports in respect of $520 million of national execution expenditure, the Board notes that the proportion of national execution expenditure covered by audit reports increased from 73 per cent in 1996-1997 to 75 per cent in 1998-1999.

22. The Board noted that during 1998-1999 UNDP did not receive any audit reports for projects in 63 countries, including five countries with expenditure totaling $261 million on nationally executed projects in the biennium 1998-1999. **The Board recommends that UNDP ensure that it regularly follows up all outstanding audit reports, and that it concentrate its efforts on those countries where it has the greatest levels of national execution.**

23. Regarding the $520 million of national execution expenditure for which UNDP had not received any audit reports in 1996-1997, the Board assessed the extent to which UNDP had subsequently received these outstanding audit reports. The Board found that UNDP had since received reports for a further $100 million of national execution expenditure.

3. Financial position

Regular resources

24. As shown in the Overview Statement UNDP's total expenditure from regular resources in 1998-1999 of $1.692 billion exceeded its total income of $1.504 billion by $188 million. This excess of expenditure over income, together with other adjustments and transfers, reduced UNDP's fund balance by $178 million, from $285 million to $107 million. In 1996-1997, UNDP's regular resources expenditure had exceeded its income by $157 million.

25. While UNDP's expenditure decreased from $1.855 billion in 1996-1997 to $1.692 billion in 1998-1999, the primary reason for these deficits is the continuing reduction in voluntary contributions from member Governments away from regular resources. Contributions fell from $1.609 billion in 1996-1997 to $1.427 billion in 1998-1999. Governments increasingly chose to support UNDP's activities through contributions to Trust Funds or cost-sharing arrangements. UNDP has identified the need to raise regular resources as a major challenge for the future, and considers that its increasing emphasis on delivering and demonstrating the results of its work should increase the amount of voluntary contributions to regular resources.

26. The Board noted that the remaining regular resources balance of $107 million in the fund at 31 December 1999 is only sufficient to cover approximately one and a half months' total expenditure. The Board is concerned that if UNDP's expenditure continues to exceed income by the same level as 1998-1999, the fund balance will be insufficient to maintain current levels of expenditure.

27. The Board trusts that UNDP will continue to monitor its financial position to ensure it maintains a healthy fund balance for its regular resources.

Other resources

28. As shown in Overview Statement, UNDP's total income from other resources in 1998-1999 of $3.621 billion exceeded its total expenditure of $3.506 billion by $115 million. This excess of income over expenditure, together with other adjustments and transfers, increased the fund balance by $52 million, from $1.199 billion to $1.251 billion. In 1996-1997, UNDP's other resources income had exceeded its expenditure by $331 million.

29. During 1998-1999, Governments continued to increase their contributions towards cost sharing arrangements and Trust Funds. During 1998-1999, contributions to cost sharing grew by $710 million to $2.452 billion and contributions to Trust Funds grew by $63 million to $604 million.

30. Total other resources expenditure also rose as contributions increased. However, while total other resources income rose by 28 per cent in 1998-1999 compared with the previous biennium, total expenditure rose by 40 per cent. UNDP used $54 million of the excess of income over expenditure to establish an operational reserve, to reduce its vulnerability to short-term cash flow problems.

31. The Board was pleased to note that UNDP had generated an increasing level of other resources income, enabling it to further increase its programme expenditure.

4. Integrated Management Information System

32. With effect from 1 January 1999, UNDP replaced its non Y2K compliant accounting system with the Integrated Management Information System (IMIS). In its letter to UNDP of 30 November 1998, the Board voiced its concerns over the risks attached to the implementation of a new system and recommended that UNDP seek to minimise them by parallel running IMIS and the existing system for a period of time. However, UNDP was unable to do so due to lack of resources. In the event, UNDP faced many difficulties in introducing IMIS and these problems reduced its ability to effectively manage and control its operations during 1999. In particular, the Board noted that:

- There were difficulties in building links between IMIS and the various sub-systems. As a result, UNDP could not enter financial data onto IMIS, which created a backlog of information, particularly relating to Inter Office Vouchers and expenditure reports from governments. Although UNDP planned for IMIS to go live on 1 January 1999, this was delayed until April 1999. UNDP was only able to start entering the majority of its expenditure data onto the system from September 1999.

- Throughout 1999, UNDP was unable to perform regular or timely bank reconciliations or conduct reviews of its suspense accounts. Such reconciliations and reviews are a fundamental financial control, and their absence increases the risk of financial loss to UNDP.

- The information backlog, and problems with designing an interrogation package, prevented UNDP from producing timely or accurate reports for internal management, funding bodies and other United Nations organizations.

- Similarly, the problems prevented UNDP from presenting its financial statements for the biennium 1998-1999 to the Board by 30 April 2000, as required by the Financial Regulations. In fact, UNDP only formally transmitted to the Board full financial statements on 14 July 2000, although it provided advance copies in draft form from 26 June 2000. These problems substantially delayed the Board's audit of UNDP's financial statements.

33. These problems weakened the financial control systems and reporting abilities of UNDP during 1999. The Board recognizes that many of the problems related to the introduction of IMIS. Indeed, the Board noted that compared to the previous accounting

system, IMIS potentially offered UNDP many advantages in terms of gathering, presenting and reporting financial information.

34. The Board considers that UNDP's difficulty with the implementation of IMIS provides UNDP with clear lessons on the future introduction of new information technology systems.

5. Presentation of Financial Statements

35. The problems with the implementation of IMIS, referred to in the present report, led to an error in Statement II.1 of the financial statements. This Statement discloses a balance owed by the United Nations Population Fund of $33,872,000. This overstates the amount owed by $15 million, and correspondingly understates the value of the cash held by UNDP.

36. As disclosed in Note 2i, UNDP has also made several changes in accounting policies during the biennium 1998-1999, which led to the restatement of some comparative biennium figures.

6. Bank reconciliations

37. At the time of signing the financial statements, UNDP had not completed the reconciliation of its main contributions bank account. As at 20 July 2000, there were 2,763 outstanding items which UNDP still needed to adjust. These items included disbursements totaling $5,269,711 shown in UNDP's accounting records but not in the bank statements; and disbursements totaling $5,828,766 shown in the bank statements but not in UNDP's accounting records. The Board is concerned that, some seven months after the biennium end, these amounts had not been brought to account. Because of the uncertainty of these unadjusted amounts, the Board has limited the scope of its audit opinion. **The Board recommends that UNDP complete the reconciliation of the main contributions account and make the necessary adjustments to its financial records.**

7. Non-expendable property

38. Paragraph 49 of the United Nations Accounting Standards requires United Nations organizations to disclose the inventory value of non-expendable equipment, furniture and motor vehicles, and the method of valuation, in a note to the financial statements. UNDP's Financial Rule 124.01 requires the organization to maintain property records and conduct physical inventories to ensure adequate control of such property.

39. UNDP has operated a country office inventory system since 1993 and introduced a computerised headquarters inventory system in 1995. The value of UNDP's non-expendable inventory at 31 December 1999, as disclosed in note 2(g) to the financial statements, was $18.3 million for headquarters and $73.8 million for country offices. Note 2(g) specifies that this valuation was on a full cost basis.

40. The Board considers that UNDP did not always base these values on accurate or complete information. For example, UNDP was unable to provide the Board with an accurate

breakdown of the $73.8 million of country office non-expendable equipment between individual country offices. It derived the $18.3 million valuation of headquarters non-expendable equipment by applying standard costs to the results of a physical inventory performed during the biennium. These standard costs were not indicative of the actual cost or value of the assets. The Board also noted that UNDP had not replaced the headquarters inventory system, despite having provided assurances to the Board to that effect as a result of the audit of the biennium 1996-1997.

41. **The Board recommends that UNDP require Resident Representatives to certify the accuracy of the annual country office inventory returns and monitor returns to ensure that all are received. The Board also recommends that UNDP review the headquarters inventory and ensure that it provides realistic valuations for all equipment. The Board further recommends that UNDP intense its effort to develop a suitable inventory control system.**

8. Inactive projects

42. In its report on UNDP's 1996-1997 financial statements, the Board expressed concern about the level of advances to Governments (some $11.6 million) that were outstanding for more than a year. During 1998-1999, UNDP reviewed many of these advances and wrote off $4.1 million. It has identified a further $4.7 million that requires further investigation. **The Board recommends that UNDP complete this review during 2000 and write-off all necessary amounts.**

9. Reserve for field accommodation

43. In its reports on UNDP's 1994-1995 and 1996-1997 financial statements, the Board expressed concern about the management of the Reserve for Field Accommodation. In 1996, UNDP identified a number of balances on the statement of assets and liabilities that were not sufficiently represented by physical assets or, in the case of loans and rehabilitations, were unlikely to be recovered. Accordingly, UNDP established a provision of $14.1 million for these potential losses, against which it wrote off $2.6 million in 1996-1997.

44. In 1998-1999, UNDP wrote off a further $309,000 against this provision. This related to long outstanding amounts that former staff members owed to UNDP under the household appliance rental scheme. Under this scheme, UNDP had provided staff in the field with household equipment, for which the staff member paid rent to the organization. The remaining provision at 31 December 1999 was $11.2 million.

10. Unidentified receipts

45. UNDP reported $19.6 million in unidentified receipts as at 31 December 1999. For 1994-1995 and 1996-1997, the corresponding amounts were $7.1 million and $13.4 million respectively. These receipts represented contributions and other amounts received in UNDP bank accounts, where UNDP had not yet identified the source of the funds or what they represented. The Board is concerned about the increase in these unidentified receipts and the corresponding delay in applying these amounts to the purposes intended by the donors.

11. Write-off of losses of cash, receivables and property

46. During the biennium 1998-1999, UNDP informed the Board that it wrote-off $4,737,564 of cash and receivables. $4,118,581 of this related to long outstanding accounts receivable balances with governments, which UNDP deemed were not recoverable. Another $309,485 related the Household Appliance Rental Scheme, which the Board comments on in the present report. The remaining ten cases, valued at approximately $309,498, concerned write-offs at individual country offices.

47. UNDP also informed the Board that it wrote-off country office non-expendable property totaling $3,513,174 valued at purchase price, during the biennium 1998-1999. It also wrote-off non-expendable property at headquarters totaling $526,386 in 1998, but due to problems with the system, it did not inform the Board of the value written-off at headquarters in 1999.

12. Ex-gratia payments

48. UNDP reported two ex-gratia payments totaling $5,640 during 1998-1999.

C. Management issues

1. Change management

Background

49. The main objective of the 2001 change management process was to align UNDP's internal capacities in order to deliver the four priority areas established by the Executive Board in 1994: poverty elimination, the creation of employment and sustainable livelihoods, the advancement of women and the regeneration of the environment. UNDP launched the Change Management initiative in 1997 against a background of changes in the external environment, principally the reduction in core resources provided to the organization by governments. It produced a Change Management Implementation Plan in May 1997, and updated it in September 1997. UNDP's approach to implementing change management was further refined and updated in 1998 and 1999 as part of its annual strategic planning process. UNDP aimed to implement the change management initiative by December 1999.

50. The change of Administrator, in July 1999, led UNDP to formally close the UNDP 2001 Initiative and to establish a Transition Team, charged with assessing how change could be further developed. As part of the closing procedures, UNDP commissioned an independent assessment of the UNDP 2001 Initiative, which was completed in October 1999.

51. The Board examined the change management planning process as part of its report on the 1996-97 biennium, and followed up on implementation issues at Headquarters and in country offices as part of its current review.

Implementation of change management

Implementation documents

52. Both the May and September 1997 implementation documents had three broad objectives:

- to empower country offices in order to provide quick, responsive development services;
- to enhance the quality and impact of programmes and services; and
- to create a more coherent, accountable and cost effective organisation.

In April 1998, these were further refined into six broad objectives: support to country offices; organizational learning; re-engineering and re-structuring; resource mobilisation; accountability and support to United Nations reform.

53. Each plan listed activities relating to the broad objectives, but neither plan indicated the relative importance of different activities nor any hierarchy of objectives. The plans did not therefore distinguish between the key activities that UNDP had to undertake in order to successfully complete the initiative, and those that were more supplementary in nature.

54. Fifty of the activities listed in the implementation documents were not supported by a measurable target and in three cases the description of the activity itself was too vague to allow proper measurement. For example the first activity recorded in the May document was 'Staff deployed to field in three phases'. There was no indication of how many staff would be re-deployed, when the three phases were due to take place, costs associated with moving the staff, or what measurable targets would be used to monitor the activity.

55. **The Board recommends that, in projects such as UNDP 2001, UNDP prioritise activities and that it devise measurable indicators and milestones to allow systematic monitoring of progress.**

Costs and resources

56. The May 1997 implementation plan only included costs for those activities that UNDP could not fund from the regular biennial budget. It classified additional costs into two categories: those that could be met from a Trust Fund supported by a donor government, totalling $2.5 million; and those that would require funds to be raised, totalling $6.6 million. In total, this amounted to an estimated additional cost of $9.1 million for the Change Management Initiative.

57. In the updated September plan, UNDP provided cost estimates for seven activities that it had not costed in the earlier plan. UNDP also estimated the cost of implementing UNDP 2001 as $18.1 million, an increase of $9 million over the estimate produced in May 1997. The increase was mainly due to an extra $4 million for the career transition scheme, aimed at the voluntary separation of staff, and a further $3.3 million for the

establishment of the Sub-regional Resource Facilities (SURFs). The updated plan identified various potential sources of funding for UNDP 2001, including the core biennial budget, the non-core Trust Fund, as well as funds that had yet to be mobilized.

58. The May 1997 Implementation Plan did not identify the budgeted amount from the core resources that UNDP needed to implement the change programme. However, the September 1997 Implementation Plan costed some activities to be funded from the core biennial budget, which totalled $9.8 million (Annex 1A). The same plan identified a further six activities as bearing a cost, but did not estimate the amounts involved. This meant that many tasks were assigned to line managers without a specific budget for implementation.

59. **The Board recommends that, at the planning stage of future projects such as UNDP 2001, UNDP cost all the proposed activities and estimate the total cost of the initiative.**

60. The Board reviewed ten UNDP 2001 change activities and found that, in general, the responsible managers held information on the costs of their change management tasks but that they passed this information to central programme managers on an ad-hoc and inconsistent basis. The central programme managers for UNDP 2001 did not undertake a systematic analysis to evaluate the resources used in the initiative as a whole.

61. **The Board recommends that in future projects such as UNDP 2001, project managers should collect and report all available costs, and central programme managers should include such information in regular status reports.**

62. Between 1995 and 1999, one government provided UNDP with a total of $8.6 million to improve internal administrative procedures and managerial methods. UNDP initially earmarked $1.8 million of this money to fund 18 activities under UNDP 2001 (Annex 1B). By November 1999, the Trust Fund had contributed $2.5 million to UNDP 2001.

63. To help obtain further funds, UNDP set up another trust fund in October 1998 specifically for UNDP 2001 activities. As at December 1999, the Fund's target had increased from $6.6 million in May 1997 to $10.1 million. This was intended to cover the five change management activities listed below.

Enhancing country office competencies

- The budget for this activity was $4 million, but this did not relate to any particular figure in either implementation document. By December 1999, the Fund had raised $660,000 for this activity and was still seeking further funds.

Enhancing UNDP capacity to respond to crisis countries

- The budget for this activity was $1.8 million. This compared to an initial estimate of $600,000 in the September 1997 implementation plan. The activity was not costed in the May 1997 plan. As at December 1999 the Fund had mobilised $330,000 in support of this project.

Efficiency in Administration and Finance

- The budget for this was $1 million, but this did not relate to any particular figure in either the May or September implementation plan. At December 1999, UNDP had not raised any funds for this activity.

Country office information management

- The budget for this activity was $1.9 million against which the Fund had raised $1.5 million. The budget did not relate to any particular figure in either the May or September plan.

Executive development

- The budget for this activity was $1.4 million. This related to a proposed budget in the implementation plans of $4 million. As at December 1999, the Fund had not mobilised any money for this activity.

Two of the above five activities (Efficiency in Administration and Finance and Country Office Information Management) were not included in either implementation plan, and three did not have original cost estimates. By December 1999, the Fund had obtained approximately $2.5 million, leaving $7.6 million still to be found. No funds had been raised at all for two of the five projects.

64. **The Board recommends that UNDP clarify the status of ongoing UNDP 2001 activities, given that it has formally closed UNDP 2001 and, if appropriate, establish detailed budgets needed to fulfil them.**

65. The Board was unable to determine the full cost of the UNDP 2001 initiative. While non-core expenditure of $5 million could be attributed directly to UNDP 2001 activities, UNDP did not record the value of core costs used for the initiative. With the UNDP 2001 Trust Fund still seeking $7.6 million, the total estimate of non-core resources required for the full initiative was $12.6 million. The Board considers that this amount underestimates the actual cost of the programme, as UNDP had not identified the amount of the core budget used to support and develop it.

Accountability and Monitoring

66. Although the implementation plans allocated responsibility for each activity to a Unit, UNDP did not nominate individual officers as responsible for specific activities. In 28 cases, the plans identified two or three units as responsible for the same activity. The Board considers that this led to unclear lines of accountability.

67. UNDP submitted progress reports on UNDP 2001 to the Executive Board and prepared six monthly status reports on the programme. These reports recounted progress on 53 activities grouped under the six broad objectives used from April 1998. They contained no information on the costs of UNDP 2001 activities and included only 19 measurable targets out of the total of 53 activities. For example one activity was directed at reversing the

60:40 ratio of time spent on administration to programme work in country offices, while another set a five-day response time to queries raised at headquarters. UNDP did not, however, systematically measure performance against targets as part of the monitoring process. UNDP prepared the final such report in August 1999. **The Board recommends that, in a project such as UNDP 2001, UNDP should a) identify individuals responsible for implementation and b) monitor targets periodically in order to identify problems as early as possible and take the necessary remedial action.**

68. The Board noted good monitoring and reporting practices in one area it examined - the establishment of the Sub-regional Resource Facilities (SURFs) and the Global Hub. The framework document clearly set out the staffing requirements and the budget that would be needed to set up the SURF system, giving a baseline against which the organisation could raise resources and monitor expenditure. Management reported on the use of resources every six months and analysed costs between various elements, such as staff costs and travel and subsistence. They also set internal targets in five areas of the project in order to monitor the development of the SURF system. The Board welcomes these examples of good practice.

Results achieved under UNDP 2001

69. The Board reviewed a number of activities that were included in the implementation plans of May and September 1997. In particular the Board reviewed the initiative against five key milestones detailed in the May plan. The findings are detailed below.

Establish up to 17 Sub-regional Resource Facilities (SURFs) and a global hub in the Policy Bureau

- UNDP fully established six SURFs by December 1999 and partially established a further three. It also established the Global Hub. UNDP believes that the optimal number of SURFs is now between ten and twelve. Implementation of the SURFs had a budget of approximately $6.5 million (90 per cent from the core budget).

Put in place competency statements covering Unit mandates, functions and job descriptions

- As at December 1999, UNDP had completed competency definitions for Resident Representatives, Deputy Resident Representatives, and Operational Managers, but the exercise was not extended to any other country office staff, or for headquarters posts. UNDP did not produce a budget for this activity or any expenditure reports.

Simplify Programme and Finance manuals

- UNDP updated the Programme Manual and formally issued it in March 1999. It presented a new set of Financial Regulations and Rules to the Executive Board in January 2000, and these became effective from April 2000. The new Finance Manual was issued on 15 June 2000.

Develop and implement management and programme performance indicators, and improve oversight by regional bureaux

- As at December 1999, UNDP was still reviewing the draft country office performance indicators, but was ready to release the new balanced scorecard system after it had approved the indicators.

Complete the redeployment of staff to country offices and SURFs

- Although not specified in the implementation documents of May and September 1997, UNDP set a target to re-deploy 25 per cent of all staff/posts from headquarters to the field. This target was not met and the new Administrator restated it as a continuing aim in the Business Plans 2000-2003, presented to the Executive Board in January 2000. In March 2000, UNDP drew up plans, detailing a 26 per cent reduction in headquarters staff, and analysing where units would make changes.

70. **The Board recommends that UNDP set a clear timetable for the completion of tasks outstanding from UNDP 2001.**

Change management in country offices

Inter-action with other United Nations organisations

71. One of the major aims of the change management process was to encourage closer working within the United Nations system at both strategic and operational level. UNDP 2001 introduced the concept of United Nations organisations in individual countries developing Common Country Assessments and United Nations Development Assistance Frameworks, as well as moving towards harmonisation of their programme cycles. These initiatives are intended to co-ordinate activities between United Nations agencies, the Government concerned, and other agencies. At a strategic level, the Board found that country offices generally made efforts to develop good relations with other United Nations organisations and within the country at large. Table 1 summarises the progress made in eleven country offices visited by the Board.

Table 1: progress on inter-action with United Nations organisations

Common Country Assessments (CCA)	Nine of the eleven country offices were in the process of completing CCAs. Only two had still to begin work.
UN Development Assistance Framework (UNDAF)	Five of the eleven country offices were in the process of completing UNDAFs, with six still to begin work.
Programme cycle harmonization	One country had already achieved programme harmonization and six other countries had established dates for completion of harmonization. In the remaining countries, war conditions or the shortage of programme resources made harmonization less achievable.

72. The Board found weaknesses in preparing timetables for future actions necessary to complete Common Country Assessments or United Nations Development Assistance Frameworks, and in providing resources to ensure that plans were viable. **The Board recommended, and the country offices accepted, that offices should improve timetabling arrangements.**

73. The Board found that eight of the eleven country offices shared premises with some of the other United Nations agencies operating in the country. A further country office was planning to move into shared premises and a similar proposal was under discussion in another country office. Only one country office had no physical or virtual ties with other United Nations agencies. Two of the offices which already shared premises with some United Nations agencies were also undertaking activities to create a computerized virtual office to establish closer ties with other agencies.

74. Three country offices had joined with other United Nations agencies and developed common contracts for services, such as travel and security, allowing them to take advantage of economies of scale and administrative efficiencies. One country office in particular had developed a sophisticated programme for setting up common service contracts (Box 1). Four other offices had started to identify potential areas for common services.

Box 1: development of common services

One country office established a United Nations Reform Project in July 1997 to move forward the process of change management. The project initially concentrated on administrative structures. An Inter-Agency Operations Group was set up and finalised common service agreements in areas including travel, hotels and events, insurance and medical services. The project prioritised actions that it could take immediately and adopted a lead agency principle, assigning the agency with the best knowledge and experience to conduct the relevant operational activities. The project identified savings against existing contracts in percentage terms, although the country office did not go on to monitor the actual financial savings achieved.

75. The Board notes that UNDP, through the United Nations Development Group, is in the process of developing guidance and standards on common services agreements. **The Board recommends that all country offices investigate the possibilities of agreeing common service contracts with other United Nations organizations, as a method of offering potential cash savings and administrative efficiencies.**

Office organisation and staffing matters

76. The Board noted that five of the eleven offices visited had undertaken some reorganisation in response to the change management initiative. The depth of change varied

between offices, from minor reorganisation to a full team-based matrix approach. The most radical changes of this type introduced in a country office are described below (Box 2).

Box 2: matrix based office restructuring

The country office moved away from a traditional UNDP programme/operational hierarchy towards team-based working. It established seven groups in key thematic areas such as administrative reform and decentralisation, productive employment, and support to the United Nations system. The teams were made up of both operational and programme staff, with individuals serving on several teams. Each team had an elected leader and no-one could lead more than one team. The aim of the reorganisation was to maximise the sharing of skills and experience and build a unity of purpose within the office. Operational staff continued to provide back up in key areas such as budgetary oversight and control systems for routine financial and administrative transactions.

77. All of the country offices visited by the Board felt that the change management programme had increased the level of responsibility and authority delegated to them by headquarters. They all cited the empowerment of staff as an important facet of the change management process. All offices had arrangements for regular meetings between staff and senior management, and at least four held such meetings weekly. Eight offices also used annual retreats as a way to promote staff involvement in the development of office policy. Most offices were reducing their reliance on international staff and seeking to give greater responsibility to national officers.

78. All the offices expressed commitment to the change management target of allowing five per cent of time for staff training. However, with one exception, offices generally did not monitor achievement of the target. Most offices were still at an early stage in the process of drawing up job descriptions for all posts, establishing relevant staff competencies and identifying the training needs flowing from this process. Offices generally had staff training plans in place, although these had still to be fully developed in two offices.

79. **The Board recommends that all country offices complete job descriptions and competency statements for all posts and that they use them to develop appropriate training plans for staff.**

Liaison with external parties

80. UNDP sought to use the Change Management approach to make itself a more client centred and service focused organisation. It emphasised the need to look outwards and foster strong relations with external parties, such as recipient governments, donors, other international organisations, civil society and the media. It also emphasised the role and importance of advocacy.

81. In addition to their adoption of Common Country Assessments and United Nations Development Assistance Frameworks, individual country offices have sought to reach out in a variety of ways to influence the communities in which they are based. Particular examples of good practice which the Board noted include:

- a country office which emphasised the importance of fast and efficient delivery of services by streamlining administrative and operational procedures and delegating substantial decision making authority to project staff;
- a country office which had utilised funds earned from project administration to bring leading international economics and institutional development experts to the country, to lead seminars, debates and workshops involving national political and academic figures; and
- three country offices which had developed detailed country specific guidance for nationally executed projects in conjunction with their counterpart government ministries.

The Board welcomes these examples of good practice.

2. Procurement

82. Procurement within UNDP is decentralised to line units and country offices, although the Inter-Agency Procurement Services Office (IAPSO) provides a specialised service for procuring some items, particularly vehicles, for UNDP and other United Nations bodies. IAPSO also provides a source of procurement expertise and advice for UNDP. The Board examined procurement at headquarters, at IAPSO and in the country offices visited.

83. The main areas reviewed by the Board were:

- compliance with UNDP rules and regulations;
- the timeliness and efficiency of contract letting procedures; and
- the role of the Advisory Committee on Procurement.

84. In July 1999, UNDP instituted a revised procurement framework based on increased limits of delegated authority and including measures intended to sharpen accountability. In January 2000, the Executive Board approved revised Financial Regulations and Rules for UNDP that came into force in April 2000 and included changes to procurement procedures.

Headquarters procurement

85. The value of administrative procurement activities undertaken by UNDP headquarters in New York was $10.5 million in 1998, and $11.7 million in 1999. Table 2 indicates the breakdown of expenditure. In practice, although procurement is decentralised, two Headquarters units – the Administrative Services Division and the Technical Services Division – took the lead role in negotiating most major contracts.

Table 2: headquarters' procurement expenditure

	1998 $ million	1999 $ million
Services	8.1	8.3
Office Supplies	0.9	0.9
Furniture and Equipment	1.5	2.5
TOTAL	**$10.5**	**$11.7**

Compliance with UNDP rules and regulations

86. At headquarters the Board reviewed ten large-scale umbrella contracts for the provision of goods and services such as cleaning, archives, and computer hardware. The Board also examined twenty small-scale Purchase Orders initiated by units throughout headquarters. The Board found that UNDP generally complied with the key requirements in its procurement regulations.

87. However, in its examination of the sample of small-scale Purchase Orders, the Board was unable to confirm whether all goods and services were delivered on a timely basis. In six cases no delivery notes were on record and in a further two cases, the date of delivery was not recorded. This prevented UNDP from properly monitoring the performance of suppliers to ensure they made deliveries within contractually agreed deadlines. The Board had noted a similar weakness in its review of procurement in the 1992-1993 biennium.

88. **The Board recommends that UNDP remind line units of the need to confirm receipt of goods and services promptly**.

89. The Board also examined a contract for the provision of office supplies, with a total estimated value of some $3.6 million over a three year period, which was processed as a common services contract between several United Nations agencies in New York, led by the Procurement Division of the United Nations Secretariat. The process posed challenges for the five United Nations bodies involved (UNDP, the United Nations Secretariat, UNOPS, UNICEF and UNFPA). The agencies prepared comprehensive Request for Proposals documentation and designed evaluation procedures, which took all parties' needs into account and exemplified United Nations best procurement practices. However, there was constant slippage in the letting process. UNDP originally expected the contract to become operational in May 1998, then December 1998, January 1999 and February 1999. The contract was not finally signed until November 1999, although UNDP began to purchase office supplies from the company in early July 1999.

Timeliness and efficiency of contract letting

90. The Board considered the timeliness and efficiency of the contracting process by examining the identification and evaluation of suppliers, and the time taken to complete the contract letting process.

Identification and evaluation of suppliers

91. UNDP Headquarters had not established a database of possible suppliers to assist it in letting contracts for goods and services. Procurement staff consulted existing contractors and other United Nations agencies based in New York to develop tender lists, but the Board noted occasions where UNDP had difficulties in generating sufficient supplier interest. Procurement staff failed to obtain enough qualifying bids for two of the ten major umbrella contracts examined by the Board, and, as a result, the Advisory Committee on Procurement rejected the original recommendations of suppliers to be selected and ordered second tendering exercises to be carried out. The Board had noted a similar lack of a suppliers' roster in its 1992-1993 review.

92. **The Board recommends that UNDP establish a database of potential suppliers.**

93. The Board found that UNDP did not evaluate the performance of contractors on a systematic basis. Only two of the ten umbrella contracts examined by the Board included service targets relating to minimum delivery or response times, and even in these cases performance was not regularly reviewed. UNDP did not carry out any comprehensive monitoring or recording of performance in areas such as contractors' compliance with price agreements, timeliness of delivery, accuracy and reliability of deliveries, or number of complaints received.

94. **The Board recommends that UNDP develop more formal monitoring of supplier performance.**

95. The Board noted several instances of good practice in UNDP's monitoring of performance. For example, on one contract UNDP and the contractor met every two to three weeks to review services and resolve any problems. UNDP also required some suppliers to provide information on their level of performance by submitting periodic reports for review, covering matters such as usage by organisation and department, and timeliness of delivery. The Board welcomes these examples of good practice.

Contract letting

96. The Board found that in 12 major headquarters contracts involving a total amount of over $4.7 million, UNDP took an average of 195 days between the date it issued Invitations to Tender or Requests for Proposals, and the date it signed a contract. The maximum elapsed time was 341 days and the minimum 29 days. The Board's analysis did not include the time taken to undertake preliminary work such as identifying potential suppliers or drawing up terms of reference as firm dates were not available for these processes.

97. **The Board recommends that UNDP benchmark its performance in the time taken to let contracts, establish timetables for each element of the procurement process and monitor performance against these.**

98. The Board found that delays occurred between the deadline for the receipt of bids and the date UNDP opened or began to evaluate them. In six cases UNDP did not open the bids until at least a month after the submission date, and in three of these cases, the delay was over two months. In seven cases UNDP took more than one month to begin the bid evaluation exercise, and in four of these cases, the delay was over two months. The average time taken by UNDP to open and evaluate the bids was 53 days. The delays were largely due to a high volume of procurement work that UNDP had to carry out to regularise thirteen major service contracts, which did not have formal contracts.

99. There was considerable variation in the length of time between the initial evaluation of bids and the final recommendation from the Advisory Committee on Procurement, ranging between 4 and 209 days. The Committee rejected two contracts and sent them back to be re-tendered, a process that took 136 and 127 days respectively. In a third case procurement staff went back to bidders for further clarification prior to submitting a recommendation to the Committee, causing a delay of 74 days.

100. The Board found that the main contributing factors to extensive delays were:

- failure to define clearly the original terms of reference in bid proposals;
- failure to attract bids from a sufficiently large number of suppliers; and
- failure to carry out a full technical evaluation procedure;

101. Factors which facilitated the smooth letting of contracts were: the development of clear terms of reference, with input from specialists in the area to which the service was related; and the utilisation of a pro forma pricing sheet to allow direct comparison of the costs of the major elements of bids.

102. **The Board recommends that UNDP build on the examples of good practice and ensure that clear terms of reference are used for bids and, where possible, use standard pricing sheets to assist in the evaluation of bids.**

Role of the Advisory Committee on Procurement

103. The main role of the Advisory Committee on Procurement is to provide advice to the Chief Procurement Officer on procurement matters. In the biennium 1998-99, the majority of its work involved providing advice on contracts valued at over $100,000, and on applications for waivers of competition for contracts with a value of over $30,000. Under the new guidance issued at the end of July 1999, these limits were revised to allow higher thresholds depending on the volume of procurements undertaken by particular divisions or country offices, and to increase the limit for waiver of formal competitive bidding from $30,000 to $100,000 for all offices.

104. All country offices and headquarters units are required to submit procurement requests to the Committee if they fall outside their delegated authority limits. In the 1998-99 biennium, the Committee received 122 submissions from 53 different country offices.

105. The Board noted that the distribution of submissions was uneven, for example eight offices accounted for 38 per cent of the country office submissions. During one of its country office visits, the Board found that the office had systematically failed to submit relevant procurements to the Committee since approximately 1993, even though the country office administered a large project portfolio involving significant levels of procurement. In 1998 its Local Contracts Committee dealt with 181 submissions valued at over $100,000, and a further 67 in the period to September 1999. The office was concerned that if it had submitted these procurement actions to headquarters its delivery rate would have been slowed considerably. At the time of the audit, the office was negotiating with headquarters, under the new procurement guidelines, to establish a higher delegated authority reflecting the volume of its procurement activities.

106. **The Board recommends that UNDP ensure that country offices submit to the Advisory Committee on Procurement all procurement actions falling outside their delegated level of authority.**

Country office procurement

107. The Board reviewed a sample of procurement actions at each country office visited and at IAPSO. In total the Board reviewed 70 procurement actions: of these, 24 related to administrative items for offices' own use and 46 related to goods or services procured for projects. The total value of procurements examined by the Board was some $32.7 million. Procurement actions examined at one country office accounted for $25 million of this total.

108. The Board found that the level of compliance with UNDP's own rules and standards of best practice was generally good, although the most common weakness found was the failure to seek sufficient tenders. At five offices, all sample items complied fully with expected practices. The Board noted particularly good practice in one office which used computerised price lists to speed up ordering and had developed pro forma documentation for processes such as gathering quotations and notification of goods received.

Procurement by IAPSO

109. Regarding IAPSO's procurement actions, the Board was concerned that there was an increase in the orders of ex-stock vehicles, which can cost 20 per cent more than ex-factory supply. There was an increase from 11.4 to 13.8 per cent between 1997 and 1998 across the United Nations system as a whole in ex-stock orders processed by IAPSO. Although ex-stock orders processed for UNDP in the same period fell from 12 to 8 per cent, this did not include ex-stock orders placed directly with dealers, by country offices using information from IAPSO's catalogue. The Board is concerned that there is a risk that country offices use the more expensive ex-stock option, rather than planning their procurement requirements sufficiently in advance. The Board was pleased to note that IAPSO had since obtained approval to delete the option of ex-stock vehicles from the Field Motor Vehicle catalogue.

110. The Board noted that, although IAPSO's vehicle catalogues were widely used across the United Nations system, there remained scope for achieving additional efficiency savings by further consolidating the points of negotiation and ordering with major manufacturers. At the time of the audit IAPSO was close to concluding arrangements to procure vehicles on behalf of UNFPA and UNICEF, and intended to seek further co-operation with the United Nations Procurement Division, which purchases vehicles on behalf of the UN Secretariat and the Department of Peacekeeping Operations. The Board welcomes UNDP's efforts to explore the scope for maximising procurement efficiencies.

3. Green office policy

111. The Board examined green office issues both at UNDP headquarters and in country offices to assess the extent to which UNDP had established and implemented a green office policy or Environmental Management Strategy (EMS). The Board also reviewed the types of local green initiatives underway at headquarters and country offices. The Board's approach to environmental matters draws on ISO 14001, which is the international standard supporting the concept of sustainable business development.

112. UNDP launched its Green Office Initiative in June 1997. The focus of the initiative was at headquarters, where UNDP established a Greening UNDP Task Force to identify and implement practical measures to support and protect the environment through its own working practices.

UNDP's consideration of environmental and sustainable development issues

113. UNDP confirmed its commitment to environmental issues in its Mission Statement, and in addition the UNDP Executive Board endorsed environmental and sustainable development issues in a series of Board decisions. It identified environment and natural resources management as an area where it should build national capacity and concentrated UNDP's mandate on four themes, one of which was environment.

114. The Board found that UNDP had not established an Environmental Management Strategy (EMS) for its internal operations, it had not circulated comprehensive guidance within the organisation and it had not submitted to its Board for approval a formal environmental policy for the organization. Some actions relating to green issues had been initiated under the Green Office Initiative but UNDP had not systematically set out its environmental practices and had not carried out a comprehensive range of environmental risk assessments across the organization. Furthermore, UNDP had no systematic objectives, targets or performance indicators to measure the environmental impacts of its internal operations. It also did not have in place a programme for training staff on environmental matters and had not systematically planned to evaluate all those activities that could potentially affect the environment.

115. In April 1999, UNDP began to develop an EMS through a project supported by an international development agency. The objective of the project was to design and implement an environmental management strategy to influence UNDP's overall policies, procedures and

practices, including the day-to-day management of the organization and its operational programmes. UNDP expects to decide on the direction of its EMS by September 2000.

116. The Board noted that the terms of reference for the project indicated that greening UNDP's in house activities would only form a small part of the work. Most of the project was focused on ensuring that environmental concerns were properly considered in UNDP's programme and project activities. In the implementation phase, the objective of "Greening UNDP and the UN system" was only fourteenth on a list of twenty objectives. The Board is concerned that this project does not give sufficient priority to UNDP's internal operations.

117. While the Board welcomes UNDP's efforts to develop an Environmental Management Strategy (EMS), **it recommends that UNDP give a higher profile to internal environmental issues. The Board also recommends that as it develops an EMS, UNDP incorporate key elements of good practice described in ISO 14001, particularly:**

- **approval of the EMS at the Executive Board level;**
- **completion of environmental risk assessments;**
- **documentation of environmental practices;**
- **development of environmental objectives and targets, supported by measurable performance indicators to assess progress;**
- **regular progress reports to the Executive Board;**
- **identification of environmental training needs for staff and provision of resources to meet such needs; and**
- **internal audit or evaluation procedures which cover all activities that can potentially affect the environment.**

The Board is pleased to note that UNDP intends to consider the Board's recommendations as part of its EMS development process.

Green office initiatives at headquarters and country offices

118. Neither IAPSO, nor any of the country offices visited by the Board, had a formal written policy in place at the time of the audit visits, and only one office had carried out extensive work in this area and had established a focal point to take matters forward. **The Board recommended to each office that it should develop formal green policies and establish a focal point to take matters forward.** The Board is pleased to note that eleven offices responded positively to the recommendation by beginning to develop green office policies and establish focal points. The remaining office was also supportive of the recommendation and undertook to take forward initiatives as resources allow.

119. The Board examined three of the major areas addressed by the Green Office Initiative: green procurement; energy efficiency and building management; and recycling.

Green procurement

120. UNDP took its first steps towards developing a green procurement policy in September 1995, when IAPSO issued a booklet setting out guidelines on environmental factors to consider when procuring common types of office equipment. The booklet envisaged that country offices and headquarters units would conduct detailed reviews of internal purchasing practices and UNDP would develop a strategy to implement recommendations arising.

121. The Board found that IAPSO had not, itself, used the booklet, and only four of the eleven country offices visited by the Board referred to the booklet when asked about their green procurement policies. Only one country office was actively using the booklet. Offices had neither developed written guidance, nor used any checklist to ensure that they addressed environmental issues on a systematic basis.

122. UNDP has made efforts to develop a green procurement policy for dissemination across the organization. In mid 1998, one Government offered to fund a Green Procurement Conference to be held in September 1999. UNDP actively pursued this option initially, but in February 1999 decided that the Conference would not be tenable until UNDP had formulated its own green procurement policy. UNDP employed a consultant, who had initially been recruited to organize the conference, to develop a policy. In July 1999, the consultant produced an outline paper, setting out options for green procurement and highlighting areas where further work remained to be done. The Board noted that, since July 1999, UNDP had not acted on the consultant's recommendations to take forward the development of a green procurement policy. The Greening UNDP Task Force intended to review the recommendations in April 2000 and UNDP planned to undertake a feasibility study, to be completed by September 2000, to determine the level of detail required for guidelines on green procurement procedures and practices.

123. The Board considers that UNDP should develop a high level green procurement policy. **The Board recommends that UNDP undertake a cost benefit analysis to assess the savings likely to accrue from the development of a green procurement policy.**

124. In mid-1999 UNDP appointed two staff members with environmental and green procurement backgrounds to the Advisory Committee on Procurement. However, the Board noted that by the time procurement actions reached the Committee, the requisitioners had already completed the tendering and selection processes. At the country office level, UNDP intends to develop tools and information, including guidelines, templates and/or modules, to assist staff in incorporating green issues into tendering and selection processes by December 2000.

125. **The Board recommends that UNDP develop appropriate tools and information to assist staff in their consideration of green issues at an early stage in the procurement process.**

Energy efficiency and building policies

126. The Greening UNDP Task Force focused on energy efficiency and building policies as offering good potential for financial savings and positive environmental impacts. It

arranged for two energy audits of headquarters' premises, which indicated that large savings could be made. The first, in October 1996, focussed on the offices at 304 East 45th Street (FF building) and identified potential savings of some $72,000 annually in energy costs if inefficient lighting and cooling systems were replaced. The review estimated the cost of this investment to be some $194,000, giving a payback period of 2.7 years.

127. In May 1998 a second team carried out a more detailed survey of energy use and the general environmental impacts on the FF building and the offices at 1 UN Plaza (DC1 building). Both buildings scored poorly in terms of building fabric and services, and were assessed as falling into the lowest category. The FF building was also in the lowest category for building operation and management, while the DC1 building was in the second lowest category. The report suggested 14 actions that UNDP could take to improve performance in the building operation and management category, and eleven actions in the building fabric and services category. At the time of the audit UNDP had not yet fully implemented these proposals. While it has been active in pursuing the scope for retrofitting work, it has done little to action those recommendations concerning management practices and the best use of existing infrastructure.

128. **The Board recommends that UNDP follow up the recommendations made in the 1998 report on energy use and environmental impacts on the FF and DC1 buildings.**

129. During 1998, UNDP conducted negotiations on financing a retrofit of the FF building. In December 1999, UNDP entered into an agreement to prepare detailed terms of reference for the retrofit of the FF building and issued a Request for Proposals in March 2000, seeking bids for the work. UNDP expects that implementation of the retrofit will begin by the end of 2000. The Board welcomes UNDP's initiative to retrofit the FF building which offers scope for both energy and financial savings.

130. The Board found that country offices had adopted few initiatives to implement energy efficiency or building management policies. Only one office had undertaken detailed research in this area and had tried to formalise a policy and set energy reduction targets. All other offices indicated that they encouraged staff to turn off lights and other equipment when not in use, but none had a written policy in this area or any targets. None of the country offices had negotiated an agreement with building management to optimise use of energy. The Board notes that UNDP is planning to issue guidelines on energy conservation to country offices by the end of 2000 to ensure a consistent approach.

131. **The Board recommends that country offices should address energy efficiency when preparing their individual green office policies.**

Recycling

132. UNDP had initiated recycling efforts at headquarters and in most country offices. The Greening UNDP Task Force introduced initiatives at headquarters, particularly for old computers and used paper. The computer-recycling scheme was especially successful. UNDP's Environmental Co-ordinator entered into an agreement with a company that refurbished old computers and donated them to worthy recipients. UNDP disposed of some

700 computers in this way and other United Nations organizations in New York also became involved in the scheme, recycling a further 1800 computers.

133. UNDP introduced paper recycling at headquarters on a trial basis in 1997, and extended it throughout the rest of its New York headquarters in November 1998. UNDP provided members of staff with desktop receptacles to collect any recyclable materials, identified green focal points for each floor, and organised clean up days in different areas to promote the scheme. In November 1997 alone, headquarters divisions collected 750 sacks of paper.

134. UNDP did not monitor the amount of paper it recycled, as it did not have the resources available to set up a measuring system. However, a broad measure would be for UNDP to monitor the amount of new paper procured by divisions. It could derive such reports from its management information system, but has yet to do so on a systematic basis. However, at the end of 1998, UNDP undertook a count of paper usage, based on manual records and information from the supplier. It identified annual usage of 218 tons (43.5 million sheets) but did not break the figures down by divisions.

135. **The Board recommends that UNDP introduce improved monitoring of paper use across divisions and that UNDP set a target for a reduction in paper use. The Board also recommends that UNDP set standards for printer and copier use, for example ensuring that all machines default to double-sided printing.** The Board was pleased to note that the Greening UNDP Task Force intended to address these issues by June 2000 and implement an action plan to accomplish them by September 2000.

136. Most country offices had paper minimisation or recycling initiatives of some kind in place. Table 3 summarises the position observed by the Board during its visits to the 11 country offices and IAPSO.

Table 3: minimization and recycling initiatives at country offices

Minimization of paper usage	
use of email	All offices commented on benefits of email
Collecting used paper and re-using second side	Two offices had well developed measures in place Six offices had less developed measures in place Four offices had very little or nothing in place
Electronic filing	Three offices had electronic filing arrangements in place for at least some of their documents, and one of these was planning to expand its system Two offices were considering the scope for using electronic filing Seven offices had very little or nothing in place
double-sided photo-copying or printing	One office had a well developed system Five offices had less well developed systems Six offices had very little or nothing in place
Paper recycling	Six offices had fairly well developed measures in place to collect and recycle used paper Two offices had less well developed measures Four offices had very little or nothing in place
Other forms of recycling	Two offices were recycling glass, cans and plastic; One office used china instead of paper cups for drinking; Two offices were recycling toner cartridges; One office was recycling organic waste as fertilizer

137. The Board encourages all UNDP country offices to continue their efforts to minimize paper usage and to maximise recycling through such actions as those set out in Table 3.

4. Project management in country offices

Background

138. The Board examined a small sample of projects in each of the eleven country office visited to determine whether practices were in line with UNDP's project management

guidance. The Board examined 24 projects with a total value of some $308 million, as shown in the original Project Documents. A single large project in one country office accounted for some $227 million of this total. The Board also examined two regional projects, with management input from Headquarters, that was valued in the original Project Documents at some $35 million. The Board considered whether offices:

- implemented projects to time and budget;
- established appropriate management structures and lines of communication for projects; and
- monitored and evaluated projects on a timely basis.

Implementation to time and budget

139. Country offices specify the estimated length of a project and when it is due to begin in the Project Document. The Board noted that many of the projects reviewed were not carried out within the timeframe originally set out in the Project Document. In ten projects (39 per cent) there were delays in starting the project, which generally ranged between one and nine months, but in one project the delay was four years (Box 3). The Board also noted that two projects, which, although formally begun on or near the intended start dates, faced considerable delays in achieving any of the substantive objectives set out in the Project Documents. In addition, there were several instances where delays had occurred in agreeing and signing the Project Document. In six projects (23 per cent of sample) the Board found delays of more than six months before all parties signed the Project Document. This generally reflected problems in securing funding or agreeing operational modalities.

Box 3: Delays in project to develop agro-tourism

This project aimed to support the development of a national agro-tourism industry by establishing a pilot homestay site. Although UNDP signed the Project Document in April 1994, the executing agency did no work on the project until 1998. UNDP made several budget revisions to re-phase planned expenditure throughout the four-year period. The delays arose partly because the executing agency had problems in appointing consultants for the project at acceptable rates, but mainly because the project lost much relevance as the government launched the homestay concept as a government backed initiative during the same period. As a result UNDP twice agreed to change the scope of the project and considered terminating it on two further occasions.

Many of the delays in the delivery of the project were attributable to the executing agency and to changing government policy. However, the country office also failed to chase progress regularly.

140. **The Board recommends that country offices ensure executing agencies provide quarterly reports on progress of projects and that UNDP take prompt corrective action when projects fall behind schedule.**

141. UNDP anticipated that 16 projects (62 per cent of sample) would take longer to complete than the time estimated in the Project Document. In some instances, UNDP extended the project to compensate for later than expected starts or delays in project implementation; in other instances the extension reflected an expansion in the objectives and scope of the project. The Board recognises that UNDP might sometimes need to extend the duration of a project in order to deal with local circumstances or difficulties in implementation. The Board is concerned, however, that offices did not always have a realistic timetable for projects.

142. The Board notes that the new Programming Manual provides for all newly approved project budgets to be reviewed within two months of their initial approval date. In addition, UNDP's Financial Information Management system provides a shadow budgeting tool which enables country offices to gauge the impact of delays in project approval and implementation, and shift resources accordingly.

143. **The Board recommends that UNDP use the Financial Information Management shadow budgeting facility to implement a more realistic planning system and control the timing of project delivery.**

144. The Board found that all projects examined contained budget documents, broken down into a series of subheads such as contracts, training, equipment, and contingencies. However, country offices did not generally analyse these budgets by the projects' objectives. As a result, it was not possible to consider the expected costs of delivering a particular objective or output. The Board considers that costing objectives would be a useful method of improving project accountability and would help compare outputs with inputs, making progress easier to quantify. The Board notes that the new Programming Manual, issued in March 1999, advocates this approach.

145. **The Board recommends that UNDP ensure that all Project Documents and revisions contain information on:**

- **the overall project budget, broken down by sub-head and phased over the life of the project; and**

- **the overall project budget broken down by objective, or sub-objective.**

146. In two projects UNDP had set a budget based on a funding level for which it had not fully identified a source at the start of the project. In one case UNDP proposed a budget of $31.12 million, but had only committed resources of $9.89 million available. In the other case, UNDP proposed expenditure of $3.09 million at the planning stage, but only had a committed budget of $266,400. The Board considers that it is imprudent to plan projects on the basis of anticipated rather than committed funding.

147. **The Board recommends that UNDP only prepare project plans on the basis of committed funding.**

148. In its examination of two projects funded by a major donor, the Board was concerned by the accounting problems caused by differences between the normal practices of the donor and UNDP in respect of the timing of payments and expenditures. UNDP's standard practice is that it does not incur expenditure before receiving funding, while the donor's normal practice is to pay a proportion of the funding in arrears once the project has been delivered. These approaches are mutually incompatible, but in accepting such funding, UNDP in effect accepted the donor's financial mechanisms. The Board notes that UNDP is developing guidance on accounting for such funding and minimising the risks to UNDP of non-payment.

149. **The Board recommends that UNDP complete and issue the guidance on projects funded by this donor to country offices as a matter of priority.**

Management structures and lines of communication

150. The sample of 26 projects examined by the Board included 17 managed under national execution arrangements, six managed by UNOPS, two managed under direct execution and one managed by a Non Governmental Organisation. The management arrangements varied according to local circumstances, particularly in the definition of local responsibilities and accountabilities under national execution. At one end of the spectrum a few countries had arrangements generally in line with UNDP central guidance, i.e., government departments or agencies did all the daily project management, and the country office focussed on policy work and overall review. At the other end of the scale, governments in some countries were only able to offer very limited support to national execution, and the country office had to employ staff directly funded by project funds to carry out most project activities.

151. The Board noted examples of good practice in some areas of project management. In particular, UNDP was able to act effectively as an intermediary between a number of interested parties. In one project, to support demobilisation and national reconciliation, UNDP developed a committee framework through which it held extensive negotiations and consultations at every stage of the project with all relevant parties, including the government and a range of implementing agencies, donors and interested parties. The Board welcomes such examples of good practice.

Monitoring and evaluation

152. UNDP project management guidelines stipulate that monitoring of projects should be undertaken by country office staff through annual field visits and that an annual policy level review of progress should be undertaken by all parties involved– UNDP, the government, and the institution implementing the project – in a Tri-partite Review. UNDP's guidance also requires all projects to include quantified performance indicators to facilitate the measurement of progress. The Board found that country offices varied in the depth and timeliness of their monitoring and evaluation of projects and that many projects did not have

quantified performance indicators or targets which would allow country offices to conduct effective monitoring. For example, there were:

- five instances where the country office did not carry out Tri-partite Reviews or other evaluation exercises on time or at all; and
- four instances where the project had no, or limited, quantified performance indicators.

153. **The Board recommends that UNDP ensure that all projects contain quantified and measurable performance indicators or targets, and that it measure the progress of a project against these criteria. The Board also recommends that country offices carry out regular monitoring and evaluation in line with UNDP's own guidelines.**

154. The Board also noted instances of good practice on monitoring and evaluation. UNDP monitored a $3.75 million project funded by the Global Environment Facility, in a highly effective manner. The country office received detailed bi-monthly reports from the project manager, reporting on activities carried out under each objective. A Management Committee with representatives from UNDP, the executing agency and project staff met every five or six months to review progress and resolve problems. In line with GEF requirements, the project staff completed an annual Project Implementation Review and attempted to quantify the level of completion of each project objective. The Board welcomes such a committed approach to project monitoring and evaluation.

5. Review of the Office of Audit and Performance Review

Introduction

155. The Office of Audit and Performance Review (OAPR) provides an internal audit function for UNDP. Under the terms of Memoranda of Understanding with UNFPA and UNOPS, OAPR also provides those organizations with internal audit services. OAPR's functions are to report to the Administrator and the Executive heads of UNFPA and UNOPS as appropriate on:

- The regularity of the receipt, custody, expenditure, accounting and reporting of all financial resources ;
- The effectiveness of internal controls and accounting systems;
- The conformity of expenditures with the purposes for which funds were authorized;
- The compliance of all financial activities and transactions with established regulations, rules, policies, procedures and administrative instructions; and
- The effective, efficient and economic use of resources and funds.

Scope of review

156. The Board examined the operations of OAPR across UNDP, UNFPA and UNOPS in its review of OAPR's resources, organization and training. The Board focussed solely on UNDP when examining the audit work undertaken by OAPR.

Resources

157. During 1998-1999 the total cost of OAPR was some $6 million, excluding the cost of international staff. This amount included $2.3 million paid to contractors for audit work in three regions, $1.1 million in travel costs, $1.2 million for consultants and short-term assistance, $0.3 million for computer equipment and $0.2 million for the cost of national officers. The Board estimated that the payroll cost of OAPR's international staff amounted to some $6.5 million during the biennium 1998-1999, bringing OAPR's total biennial costs to some $12.5 million.

Organization and staffing

158. For 1998-1999, OAPR had a strategy to conduct compliance audits of UNDP country offices every two years and management audits of UNDP units and functions every seven to eight years. To complete this programme of work, OAPR split the work between its own staff and private sector audit firms.

159. As at November 1999, OAPR had contracted with four private sector firms to conduct internal audits of country offices in the Africa, Asia and the Pacific, Arab States and the Latin America and the Caribbean regions.

160. As at 31 December 1999, OAPR had 45 staff posts, 31 of which were based in New York, and the remaining 14 in Regional Audit Service Centres (RASC), in Zimbabwe, Malaysia and Panama. The RASCs were also responsible for the operational management of the contracts with the audit firms.

161. OAPR operated under complement for most of the biennium 1998-1999. As at December 1998, it had thirteen posts vacant. OAPR appointed staff during 1999, but still had six vacancies at December 1999, mostly at the professional level. OAPR informed the Board that it had taken action to recruit staff for these vacant posts during 2000.

162. Of the audit staff and section chiefs in post at 31 December 1999, 41 per cent had, or were working towards, a relevant professional qualification. Eight staff held public accountant qualifications, one was a Certified Information Systems Auditor and another two were studying for Certified Internal Auditor certification. Two of these staff members were also Certified Fraud Examiners. While the Board recognizes that accounting or audit qualifications would not be required for all OAPR staff, **the Board recommends that OAPR assess qualification needs for each audit post and draw up a strategy to ensure that these needs are met.**

Continued professional training

163. The Board reviewed the level of training received by OAPR staff in 1998. Although staff attended 57 training courses in total, 18 staff did not attend any audit related training and 15 staff had no training at all during the year. For 1999, staff attended only 67 out of 103 training courses planned for the year.

164. The Board also noted that OAPR had a budget of $37,500 for external training in 1998, but only spent $15,110. The 1999 budget included $48,000 for external training, of which OAPR spent only $22,247. Accordingly, OAPR's expenditure on training during 1998-1999 represented less than 0.3 per cent of OAPR's total costs.

165. The Board is concerned at the low level of OAPR's expenditure on training and at the shortfall in the level of training completed by OAPR staff. If OAPR staff do not complete a sufficient level of training there is a risk that they will not keep their professional skills up-to-date and will not be able to adequately address the needs of the organization. The Board noted, however, that OAPR had developed a Learning, Training and Development Framework from which it developed staff training plans.

166. **The Board recommends that OAPR ensure that each member of staff receives sufficient training to ensure that the organization retains its technical competency.**

Audit coverage

167. OAPR produced the following numbers of audit reports during the biennium 1998-1999.

Report Type	**1998**	**1999**	**In progress at 31.12.99**	**Total**
Internal Audit	94	76	7	**177**
Control Self Assessments	12	33	0	**45**
NEX Missions	6	10	8	**24**
UNFPA	47	28	14	**89**
UNOPS	28	31	9	**68**
Special Audits	14	23	33	**70**
Total	**201**	**201**	**71**	**473**

168. The majority of the reports focussed on the performance of country offices and nationally executed expenditure. Of the 271 audits which OAPR had either completed or were still progressing on UNDP, only 11 related to UNDP headquarters, of which two were

special audits. OAPR did not perform any audits during 1999 that evaluated and reported on the reliability of the accounting and other data developed by UNDP for the production of financial statements.

169. Included in OAPR's Internal Audit reports were a total of 2,415 recommendations to UNDP in 1999, compared with a total of 2,122 in 1998 and 1,255 in 1997. The proportion of recommendations agreed by the organization also increased from 75 per cent in 1997 to 90 per cent for the biennium 1998-1999.

170. In 1999, UNDP introduced its new Integrated Management Information System (IMIS). It experienced considerable problems with the implementation of the system and consequently had difficulties in exercising the normal level of management controls during the period. OAPR provided a staff resource for five months to help implement the system but did not conduct a review of the system or the significant number of changes in accounting procedure during this period. The Board considers that OAPR should have conducted further work on this area during the biennium 1998-1999.

171. **The Board recommends that OAPR conduct a detailed analysis of the risks to management information and financial controls associated with the IMIS implementation and perform appropriate reviews of the system and its interfaces.**

172. For the biennium 1998-1999, OAPR planned to visit each country office once every two years. During the biennium, it completed audits of all 87 country offices in the African, Arab States and Asia and the Pacific regions. In the Latin America and the Caribbean region, where OAPR established a regional audit service centre during 1999, it audited 13 of the 24 country offices during the biennium.

173. However, OAPR only audited three of the 29 country offices in the Europe and Commonwealth of Independent States region during the biennium. OAPR originally planned to open a fourth Regional Audit Service Centre and introduce contracted audits to the region in 2000, but as a result of UNDP's revised budget strategy it postponed the opening of the Centre. Instead, the Internal Audit Section will hire auditors on three year contracts to conduct a management audit of each country office once in every four years, on average.

174. **The Board recommends that OAPR should ensure a greater coverage of the Europe and Commonwealth of Independent States region during the biennium 2000-2001, especially given the growth in number of these country offices in recent years.**

175. The Board has also recommended in its review of UNDP's Green Office Policy, included in the present report, that internal audit or evaluation procedures should cover all activities that can potentially affect the environment.

Control Self Assessment

176. In 1996, the Executive Board of UNDP adopted a new Accountability Framework and assigned OAPR the responsibility for its implementation and oversight. OAPR began the process of implementing and monitoring the framework by using Control Self Assessment (CSA), whereby teams of co-workers attend a joint workshop to analyze their ability to achieve key objectives. At the conclusion of the workshop, the facilitators produce a report

and the team prepares an action plan. UNDP introduced CSA in October 1998, and between then and December 1999, held 46 workshops.

177. CSA is a diagnostic tool, designed to identify problems and risks. It is however the responsibility of management to take the information gathered in the workshop and use it to make improvements. For this process to be effective, management should put in place regular and thorough follow-ups. At present this is solely the responsibility of local management and there is no facility for OAPR to conduct formal, independent reviews of any follow-up action. **The Board recommends that OAPR conduct formal, independent reviews to determine how effectively management are implementing the Control Self Assessment action plans.**

178. While the CSA process is not primarily designed as a compliance audit, it nevertheless identifies areas where the organization faces risks. As such, it is a useful tool, which should provide OAPR with information to inform its own risk assessments and to identify areas of concern that have a wider application across the organization. **The Board recommends that OAPR follow up on the Control Self Assessment workshop reports and, where applicable, use this information to inform its risk assessments and audit planning.**

Audit planning

Long-term planning

179. Each OAPR audit section developed a long-term audit plan, which detailed the auditable entities for which they had audit responsibility. However, these plans neither analysed the systems and sub-systems in operation within these auditable entities nor the risks or relative importance of each of them. For example, the Internal Audit Section was responsible for headquarters' units, including the regional bureaux and the Bureau for Financial and Administrative Services. However, its audit plan of 23 November 1999 did not include details of the management or financial systems, or an assessment of each of the bureaux.

180. The Board also noted that by focussing on each section's own responsibilities, OAPR did not identify common systems used across the organization, which might benefit from a single review.

181. **The Board recommends that OAPR revise its long-term plan to take account of risk to individual systems.**

Annual audit plans

182. OAPR also produced an annual audit plan, which it circulated widely throughout the organization. The plan provided details of OAPR's staffing and budget, as well as the detailed work-plans for individual sections, giving indications of the resources committed to each audit assignment.

Individual audit plans

183. The Board reviewed OAPR's planning for individual audits and noted that it did not prepare detailed audit programmes for each functional and systems management audit, although it had developed a set of standard programmes for use when auditing country offices. This included a standard pro-forma audit report and standard ratings for the audit opinion.

184. **The Board recommends that OAPR prepare audit programmes for all the functional and systems management audits it intends to perform, which OAPR management should review prior to the commencement of the audits to ensure that the proposed coverage is complete and meets the defined audit objectives.**

185. OAPR plans and monitors projects and audits on the basis of the number of workdays allocated to a task. However, it has yet to develop systems to allow it to determine and report the full cost of any of its outputs.

186. Given the increasing focus by UNDP on outputs and demonstrating the cost-effectiveness of its deliveries, **the Board recommends that OAPR develop a system to properly identify the full costs of each output.**

Audit guidance

Permanent files

187. OAPR does not maintain standing data on the organization's systems of control. It considers that, in the constantly changing environment within which UNDP currently operates, there is a risk that such standing information would become obsolete within a short timeframe.

188. Nevertheless, the Board considers that it is important for OAPR to maintain up-to-date information on the key systems and main internal controls that UNDP operates. Such information not only provides readily accessible background information, but should be used by OAPR to inform and guide audit planning.

189. **Accordingly, the Board recommends that, as a first step in each audit, and to help inform audit planning, OAPR document the key systems and controls and hold the information on permanent files to facilitate subsequent audits.**

Audit procedures

190. The Director of OAPR issued a series of ad-hoc guidelines on audit procedures, which were mandatory for OAPR staff to use. Eight of the 10 extant guidelines referred to administration, staffing issues and the production, format and issuance of audit reports. Only two guidelines directly related to audit issues (guidelines 2 and 6 - audit working papers and standards of evidence). OAPR also prepared a standard audit programme for country office management audits, known as the country office management audit guideline (COMAG). OAPR had not issued specific guidelines on several key aspects of the audit process, such as audit planning and risk analysis. Furthermore, OAPR did not have an overarching audit

manual that sets out internal audit standards as recommended by the Institute of Internal Auditors.

191. **The Board recommends that OAPR develop an internal audit manual that provides a framework for its future operations. It should support the internal audit manual with a series of comprehensive audit guidance notes to provide detailed advice for the effective performance of the audits.**

Audit quality

192. The Director of OAPR arranged for independent consultants to conduct a full review of the quality of all OAPR activities during 1998. The consultants reviewed and assessed:

- the adequacy of OAPR's professional standards, practices and operational guidelines;
- the extent to which OAPR's operational units complied with UNDP and OAPR's operational and professional policies, standards and guidelines; and
- a sample of working paper files for each operational unit, in order to validate compliance with OAPR's professional and operational standards and guidelines.

193. The consultants noted weaknesses in the review procedures used by two Regional Audit Service Centres and a headquarters audit section. Although OAPR informed the consultants that all audits were reviewed, this was sometimes done informally and was not always documented on the working papers. The review noted that OAPR included procedures for full and complete reviews in the contracts for the audits conducted by contractors.

194. The Board considers that it is important for OAPR to have a comprehensive system of quality review in place, to ensure that it meets professional standards. The Board is concerned that OAPR management did not always review, or evidence a review, on audit working papers prepared by their own staff. **The Board recommends that OAPR introduce a standard approach for conducting and evidencing the management review of working papers.**

Contracted-out audits

195. OAPR contracted out its audits of country offices in the Africa, Asia and the Pacific, Arab States and Latin America and the Caribbean regions to four private audit firms. It required the audit contractors to conduct thorough reviews of their own working papers and to co-ordinate and control the quality of their services.

196. The Board reviewed contractors' working papers for the audits of UNDP offices in Panama, Jamaica, Venezuela, Ecuador and Bolivia.

197. The Board noted that all the working papers contained some evidence that the contractors had performed some management review, but the individual working papers did not contain any formal review papers or questions on the audit process.

198. In its detailed review of the working papers for the audits of the Jamaica and the Ecuador country offices, the Board noted instances of poor quality audit work from the contractors. In the audit of the Jamaica Office, this included contradictory audit results and a lack of working papers supporting the audit findings. In the audit of the Ecuador Office, the Board also noted the lack of a trail between the audit programme and the working papers.

199. The Board was pleased to note the swift and positive action taken by OAPR following these findings, including meeting with the firm's review partners, deferring payments and performing a review of working papers. The Board also noted that OAPR had reduced its reliance on contracted audits in the Africa region, due to the poor quality of the contractor's performance. **Accordingly, the Board recommends that OAPR review on a test basis the working papers of all its contractors to ensure that they obtain sufficient, relevant and reliable audit evidence to support their conclusions.**

Follow-up of audit recommendations

200. OAPR requires auditees to provide six-monthly updates on the status of any outstanding recommendations. Each audit section reviews the responses and maintains details of them on a central database. OAPR has amended this database to allow country offices direct access to update the status of their audit recommendations. The Board considers that the system will provide OAPR with valuable management information on the action taken as a result of the audit work performed.

Audit Committees

201. In 1997 UNDP set up a Management Review and Oversight Committee (MROC) to act as its audit committee. The Committee comprised of four senior UNDP officials and the United Nations Under-Secretary-General for Internal Oversight Services. The purpose of MROC was to facilitate the process that provides the Administrator, and through him the Executive Board, with assurance that UNDP's accountability framework is operating effectively. Its main functions were to review and comment on: the plans for the internal audit of UNDP activities; the summary results of audits and reviews; and to monitor the implementation of corrective action resulting from audits and reviews.

202. The MROC did not meet during 1999, partly due to the ongoing structural re-organizations within UNDP. The position was further complicated as UNDP did not appoint replacements for the three members who resigned or retired during 1999.

203. The Board considers it important for UNDP to establish a process of scrutiny and review, which will provide the Administrator with assurance that there is an effective accountability framework in place. **The Board recommends that UNDP re-establish the MROC, by reappointing individuals to the vacant seats on the Committee.**

6. Cases of fraud and presumptive fraud

204. During the biennium 1998-1999, UNDP identified twenty-two cases of fraud or presumptive fraud. UNDP was unable to quantify monetary loss for two of the alleged

frauds, but identified a total loss of $408,000 on the other twenty cases. As at 31 December 1999, it had only recovered $3,000. Two of the twenty cases, which cost a total of $280,000, related to payments that UNDP made on the basis of falsified documents. Eight of the remaining cases, with a total loss of $8,700 related to falsified staff medical claims.

D. Acknowledgement

205. The Board of Auditors wished to express its appreciation for the cooperation and assistance extended to its staff by the Administrator and staff of the United Nations Development Programme.

Sir John BOURN
Comptroller and Auditor General
of the United Kingdom of Great Britain
and Northern Ireland

Osei Tutu PREMPEH*
Auditor-General of Ghana

Celso D. GANGAN
Chairman, Philippine Commission on Audit

28 July 2000

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*The term of office of the Auditor-General of Ghana expired on 30 June 2000 prior to the signing of this report. The Auditor-General, however, has expressed agreement with the contents of the report. In addition, the relevant audit programme had been approved by the Board and all special instructions given by the Board were carried out.

Annex A

Follow-up on action taken by the United Nations Development Programme to implement the recommendations of the Board of Auditors in its report for the biennium ended 31 December 1997 a/

Recommendation – paragraph 20

1. UNDP should retain for at least two bienniums all audit reports received on national execution expenditure to enable the Board of Auditors to complete its audit of those reports that had not been received in the previous biennium.

Measures taken by the Administration

2. The Office for Audit and Performance Review has implemented this recommendation.

Comments of the Board

3. The Board welcomes this development.

Recommendation – paragraph 36

4. UNDP should establish clear separation of duties between requisitioning, receipt of goods and maintenance of inventory records.

Measures taken by the Administration

5. The revised policy on expenditure control with clear separation of duties was included in the comprehensive revision of the UNDP Financial Regulations and Rules, which came into effect from 1 April 2000.

Comments of the Board

6. The Board welcomes the introduction of a revised policy on expenditure control, the Board will monitor how the policy is applied.

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a/ *Official Records of the General Assembly, Fifty-third Session, Supplement No. 5A* (A/53/5Add.1), para. 10)

Recommendation – paragraph 38

7. The UNDP financial regulations should be amended to require exchange losses arising other than from voluntary contributions to be charged as expenditures, as suggested by United Nations accounting standards, paragraph 29, and in line with practice adopted by the United Nations Headquarters.

Measures taken by the Administration

8. Financial rule 126.06 has been amended in document DP/2000/4.

Comments of the Board

9. The Board welcomes this development.

Recommendation – paragraph 45

10. UNDP should monitor returns on investments against prevailing market rates.

Measures taken by the Administration

11. The benchmark was approved by the Investment Committee in October 1998. BOM/Treasury is responsible for this recommendation.

Comments of the Board

12. The Board welcomes the development of a benchmark for monitoring investment returns.

Recommendation – paragraph 52

13. UNDP should define a "reasonable period of foreseen cash requirements" for its advances to agencies and regularly review the balance held.

Measures taken by the Administration

14. UNDP met with the Board of Auditors on 4 March 1999 to clarify its position and to confirm UNDP's interpretation of "reasonable period of foreseen cash requirements".

Comments of the Board

15. The Board is pleased to note the action taken.

Recommendation – paragraph 53

16. UNDP should examine the scope for reducing the extent to which agencies are funded in advance, and where possible move to a system of reimbursing actual expenditure, thereby reducing cash flow risks and improving financial control.

Measures taken by the Administration

17. A meeting was held with the Board of Auditors on 4 March 1999 to clarify the position. UNDP does not consider it feasible for agencies to act as an executing agency without advance funding.

Comments of the Board

18. The Board notes the comments of the Administration and will keep the matter under review.

Recommendation – paragraph 67

19. UNDP should maintain information on occupancy levels of its headquarters buildings in order to help control and monitor costs.

Measures taken by the Administration

20. Lease and other data for UNDP country offices and for headquarters space occupied by UNDP have started to be captured in the Aperture database. The UNDP Sub-Group on Common Premises and Services and BOM/ASD are responsible for this recommendation.

Comments of the Board

21. The Board is pleased to note that UNDP has started to collect data on the space that it occupies.

Recommendation – paragraph 68

22. UNDP should develop and adopt key performance indicators to assess the effectiveness and efficiency of field offices and headquarters in managing their real estate. These indicators should include unit cost measures relating directly to the objectives specified in an estate management strategy.

Measures taken by the Administration

23. Lease and other data for UNDP country offices and for headquarters space occupied by UNDP have started to be captured in the Aperture database. The UNDP Sub-Group on Common Premises and Services and BOM/ASD are responsible for this recommendation.

Comments of the Board

24. The Board will monitor developments in its future audits.

Recommendation – paragraph 71

25. UNDP should finalize and issue the guidelines on common premises and services without delay.

Measures taken by the Administration

26. The draft guidelines were approved by CCPOQ and distributed to all Resident Coordinators and UNDP resident representatives. A survey on common services has been received from 136 country offices. The data has been analysed and a draft report issued. On this basis, best practices will be developed. A workshop was held early in 2000.

Comments of the Board

27. The Board welcomes the development of draft guidelines and looks forward to the use of best practices throughout UNDP

Recommendation – paragraph 81

28. UNDP should strengthen its efforts to implement its current policy with regard to seeking rent-free office accommodation.

Measures taken by the Administration

29. In the context of government contributions towards local office costs, offices continued to be requested and encouraged by headquarters to work with Governments in obtaining rent-free office space. Recent trends show that there is an increase in government-provided rent-free office space to UNDP from $5.9 million in 1997 to $7.0 million in 1998. In addition, UNDP in the context of the UNDG is working with other United Nations organizations on the subject. The strengthening of this policy is articulated in the UNDP report on United Nations Houses submitted to the UNDG executive boards in the spring of 1999.

Comments of the Board

30. The Board notes these developments, including the report on United Nations houses, and looks forward to an increasing level of rent-free office accommodation.

Recommendation – paragraph 84

31. UNDP should prepare a forward plan for maintenance and alterations work to the premises it occupies.

Measures taken by the Administration

32. A maintenance plan has been formulated for headquarters premises. It is expected that the plan will be implemented early in 2000. Analysis of country office premises is ongoing in the context of United Nations House implementation. BOM/ASD are responsible for this recommendation.

Comments of the Board

33. The Board welcomes the development of a maintenance plan for headquarters premises and encourages UNDP country offices to develop similar plans for their own offices.

Recommendation – paragraph 86

34. UNDP should collect and analyse energy costs consumption data for its premises, in order to facilitate comparisons and to identify wastage and excessive costs.

Measures taken by the Administration

35. Several discussions have taken place, both within UNDP and within the context of the Sub-Group. The maintenance plan developed for headquarters focused on the need to conserve energy and reduce costs. The Green Office Initiative, jointly chaired by BOM and SEED, is developing guidelines on energy conservation measures. An energy retrofit (lighting and HVAC) plan has been developed and is in the process of being finalized. Implementation is expected to be completed by early-2000. BOM/ASD and SEED are responsible for this recommendation.

Comments of the Board

36. The Board comments further on this issue in the present report.

Recommendation – paragraph 89

37. UNDP should establish organization-wide standards for space occupancy, with standards flexed to take account of job function within grade.

Measures taken by the Administration

38. Data on space occupancy at headquarters through Aperture has been completed. Work is ongoing to review space standards at headquarters. The application of Joint Inspection Unit standards is being encouraged for any new space being occupied by UNDP offices. BOM/ASD is responsible for this recommendation.

Comments of the Board

39. The Board welcomes its development and looks forward to the use of Joint Inspection Unit standards for all new office space.

Recommendation – paragraph 99

40. UNDP should standardize its procedures for investment appraisal of information technology projects to take full account of financial and non-financial benefits, as well as operational requirements.

Measures taken by the Administration

41. BOM/CIO is in the process of implementing this recommendation.

Comments of the Board

42. The Board will review the standardized procedures when they are issued.

Recommendation – paragraph 100

43. UNDP should ensure that project status reports include summaries of project expenditure against lifetime and biennial budgets.

Measures taken by the Administration

44. Summaries will be prepared for biennial budget reporting and for project files upon project completion. BOM/CIO is responsible for this recommendation.

Comments of the Board

45. The Board welcomes the development

Recommendation – paragraph 103

46. UNDP should encourage country offices to begin operating the FIM budget module at the earliest opportunity.

Measures taken by the Administration

47. FIM has been fully implemented in all country offices.

Comments of the Board

48. The Board welcomes these developments.

Recommendation – paragraph 117

49. UNDP should ensure that future contracts provide for payments to be linked to the achievement of specific targets and goals.

Measures taken by the Administration

50. All new contracts are prepared in accordance with this recommendation and the ACP scrutinizes each contract prior to clearance. BOM/PCU is responsible for this recommendation.

Comments of the Board

51. The Board welcomes the linking of payments to the achievement of specific targets in contracts.

Recommendation – paragraph 124

52. UNDP should ensure that all systems are tested for year 2000 compliance, with sufficient lead time to correct any deficiencies.

Measures taken by the Administration

53. BOM/ISD implemented this recommendation.

Comments of the Board

54. The Board notes that UNDP faced little disruption from Y2K problem

Recommendation – paragraph 135

55. UNDP should establish clear arrangements for funding the full costs of the change management initiative.

Measures taken by the Administration

56. In relation to the forthcoming UNDP business plan proposed by the Administrator in January 2000, and in continuation of the remaining UNDP 2001 initiatives to be integrated with that plan, funding sources/arrangements will be clearly identified. BPRM is responsible for this recommendation.

Comments of the Board

57. The Board comments further to this issue in the present report.

Recommendation – paragraph 140

58. UNDP should assess the financial and non-financial benefits expected to flow from its change programme and use this assessment to carry out a full investment appraisal of the change initiative.

Measures taken by the Administration

59. The assessment report on UNDP 2001 has addressed the issues of benefits from the change programme. The recommendations made will be considered in the context of the new business plan and the investment to be made therein. BOM/OP is responsible for this recommendation.

Comments of the Board

60. The Board comments further on this issue in the present report.

Recommendation – paragraph 150

61. UNDP should develop appropriate performance indicators and measures to assess specific change implementation activities, relating these directly to the main objectives of the change process.

Measures taken by the Administration

62. The development and use of appropriate performance indicators have been recognized as important elements for measuring and assessing progress in change activities. The Administrator has attached the highest importance to this. Work is currently under way on institutionalizing measurements in the business plan, strategic results frameworks and scorecard system. BOM/OP is responsible for this recommendation.

Comments of the Board

63. The Board comments further on this issue in the present report.

Annex B

COSTING OF UNDP 2001		
UNDP funded activities		
	Budget May 1997	**Budget September 1997**
HQ staff redeployed to field	0	(?)
Training manuals developed	0	30
SURFs to be established	0	5800
Compulsary rotation of staff	0	(?)
Strengthen RC function	0	(?)
Focus on poorest countries	0	(?)
Expanded audit of programme	0	(?)
Career transition scheme	0	4000
Information management	*	(?)
	0	**9830**
Resources to be mobilized		
SURFs to be established	2500	0
Countries in special circumstances	0	600
Controls ex-ante to ex-post	150	150
Round tables	0	1000
Leadership skills	4000	4000
Core competencies	0	100
	6650	**5850**
Costs to be met fromTrust Fund	2485	2450
TOTAL OF COSTED ACTIVITIES	**9135**	**18130**
* Denotes not mentioned		
+ Denotes cost expected but value unknown		

Annex C

Costs to be met from Trust Fund

Activity	Budget May 1997	Budget September 1997
Executive committee expanded	*	25
Job descriptions for OSG	25	25
CO quicker access to HQ funds	20	20
National officer role enhanced	20	20
Countries in special circumstances	400	400
Streamlined manuals	400	400
RM targets refined	60	60
Core competencies aligned	*	60
SURFs and Global Hub	720	720
Better meetings	100	100
Efficiency Ombudsman	10	10
BFAS preliminaries	20	20
CO resource guide	230	170
Controls ex-ante to ex-post	250	250
Global staff survey	100	(?)
Unified nomenclature for all jobs	20	0
Chief information officer	20	*
BPRM established	30	0
Strengthened OUNS	30	*
Ethics culture established	0	60
HR management enhanced	*	60
Performance pay	*	20
New functions for policy bureau	30	30
	2485	**2450**
* Denotes not mentioned		

Chapter III

Audit Opinion

We have audited the accompanying financial statements, comprising statements I to IV, schedules 1 to 8, and the supporting notes of the United Nations Development Programme for the biennium ended 31 December 1999. The financial statements are the responsibility of the Administrator. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Common Auditing Standards of the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, and as considered by the auditor to be necessary in the circumstances, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Administrator, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the audit opinion.

Except for;

the effect of any adjustments that may be necessary upon receipt of outstanding audited expenditure statements relating to nationally and United Nations executed projects, and

any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the cash balance,

in our opinion, these financial statements present fairly, in all respects, the financial position as at 31 December 1999 and the results of operations and cash flows for the period then ended in accordance with the Programme's stated accounting policies set out in Note 2 of the financial statements, which were applied on a basis consistent with that of the preceding financial period.

Further, in our opinion, the transactions of the Programme which we have tested as part of our audit, have in all significant respects been in accordance with the Financial Regulations and Legislative Authority.

In accordance with article XII of the Financial Regulations, we have also issued a long-form Report on our audit of the Programme's financial statements.

Sir John BOURN
Comptroller and Auditor General
of the United Kingdom of Great Britain
and Northern Ireland

Osei Tutu PREMPEH*
Auditor-General of Ghana

Celso D. GANGAN
Chairman, Philippine Commission on Audit

28 July 2000

*The term of office of the Auditor-General of Ghana expired on 30 June 2000 prior to the signing of this report. The Auditor-General, however, has expressed agreement with the contents of the report. In addition, the relevant audit programme had been approved by the Board and all special instructions given by the Board were carried out.

Chapter IV

Financial statements for the biennium ended 31 December 1999

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998-1999

OVERVIEW

Income and expenditures and fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

	Regular Resources Activities		Other Resources Activities		Funds Administered by UNDP	
	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME						
Contributions	1,451,584	1,621,447	3,409,974	2,674,936	148,470	143,166
Less transfer to Biennial support budget	(24,466)	(12,555)	-	-	-	-
Contributions - net	1,427,118	1,608,892	3,409,974	2,674,936	148,470	143,166
Interest Income	68,288	87,120	127,081	95,186	20,837	19,533
Other Income	8,974	2,215	84,247	61,182	17,319	25,595
TOTAL INCOME	1,504,380	1,698,227	3,621,302	2,831,304	186,626	188,294
EXPENDITURE						
Programme	1,077,767	1,191,361	3,275,153	2,303,323	159,767	133,722
Programme support - Implementing agents	89,871	113,033	57,477	46,298	6,226	5,080
Programme support to Resident Coordinator	21,033	6,810	690	4,190	-	-
UNDP Sectoral support services	527	11,073	-	-	-	-
Biennial support budget - net	493,133	485,584	169,610	131,905	28,698	34,397
Other Expenditure	10,005	47,378	3,256	15,005	574	726
TOTAL EXPENDITURE	1,692,336	1,855,239	3,506,186	2,500,721	195,265	173,925
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	(187,956)	(157,012)	115,116	330,583	(8,639)	14,369
Savings on prior biennium's obligations	3,846	4,756	1,087	1,073	-	97
Transfer (to) from reserves	7,700	-	(54,000)	-	(4,100)	(8,300)
Refunds to donors and transfers (to) from other funds	(1,549)	(1,653)	(10,381)	(19,318)	(312)	(38)
Fund balances, 1 January	284,975	438,884	1,199,066	886,728	130,778	124,650
FUND BALANCES, 31 DECEMBER	107,016	284,975	1,250,888	1,199,066	117,727	130,778
	statement I.1		statement I.2		schedule 7	

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

OVERVIEW

Assets, Liabilities and Reserves and Fund balances
As of 31 December

(Thousands of United States dollars)

	Regular Resources Activities		Other Resources Activities		Funds Administered by UNDP	
	1999	1997	1999	1997	1999	1997
ASSETS						
Cash	13,626	-	3,655	2,627	494	1,492
Government letters of credit and Promissory notes	-	-	35,756	357	-	-
Investments held for						
Operational Reserves	180,000	200,000	-	-	-	45,000
Regular Resources	31,912	257,457	227,451	276,149	191,580	136,157
Cost-sharing	137,831	516,074	408,800	-	-	-
Govt Cash Counterpart contributions	19,768	16,194	-	-	-	-
Funds and Trust Funds	151,365	181,418	-	-	-	-
Reimbursable services and misc activities	238,854	244,727	39,036	-	-	-
Medical Insurance Plan	13,150	-	-	-	-	-
Sub total - investments	772,880	1,415,870	675,287	276,149	191,580	181,157
Total Cash, Letters of credit, Promissory notes and Investments	786,506	1,415,870	714,698	279,133	192,074	182,649
Advances						
Operating funds provided to Governments	49,042	48,229	154,713	128,594	389	1,858
Operating funds provided to Executing agents	87,704	63,671	89,455	26,195	606	1,240
Accounts Receivable and Deferred Charges						
Due from Core Activities	-	-	633,261	1,037,701	643	11,052
Reserves for Field Accomodation	14,346	17,491	-	-	-	-
United Nations	2,651	-	-	-	-	-
Junior Professional Officers Programme	34,231	-	-	-	-	-
Trust Funds Established by UNDP	12,840	57,509	-	-	-	-
Funds Administered by UNDP	24,678	15,342	-	-	-	-
United Nations Population Fund	33,872	20,194	-	-	-	-
Other accounts receivable and deferred charges	33,029	19,839	66,541	26,657	11,678	2,617
Accrued interest	7,889	13,212	21,880	17,853	3,508	3,854
Long-term Accounts Receivable	-	-	953	1,127	-	-
Special Capitalised Asset	1,570	1,570	-	-	-	-
Loans to Governments	-	-	1,225	1,824	2,667	5,637
Construction Costs	-	-	45,308	44,558	-	-
Capitalized Rehabilitation	-	-	1,245	4,721	-	-
Household Appliance Rental Scheme	-	-	-	309	-	-
Allowance for write-down	-	-	(11,224)	(11,534)	-	-
TOTAL ASSETS	1,088,358	1,672,927	1,718,055	1,557,138	211,565	208,907
	statement II.1		statement II.2		schedule 7	

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

OVERVIEW

Assets, Liabilities and Reserves and Fund balances
As of 31 December

(Thousands of United States dollars)

	Regular Resources Activities		Other Resources Activities		Funds Administered by UNDP	
	1999	1997	1999	1997	1999	1997
LIABILITIES						
Operating funds payable to Governments	5,306	3,013	17,880	6,704	137	129
Operating funds payable to Executing agents	21,972	6,393	44,730	27,384	6,221	3,760
Unliquidated obligations	64,434	68,368	182,748	174,511	5,236	7,944
Accounts payable	45,901	45,706	74,720	44,748	4,489	2,454
Due to UNDP - regular resources by						
Reserve for Field Accomodation	-	-	14,346	17,491	-	-
Junior Professional Officers Programme	-	-	34,231	-	-	-
Trust Funds	-	-	12,840	57,509	-	-
Due to Core Activities	-	-	-	-	-	-
Funds Administered by UNDP	-	-	-	-	24,678	15,342
Due to Other Resources and Funds						
Cost sharing	137,831	516,074	-	-	-	-
Govt Cash Counterpart Contributions	19,768	16,194	-	-	-	-
Trust Funds established by UNDP	188,232	243,216	-	-	-	-
Funds Administered by UNDP	643	11,052	-	-	-	-
Reimbursable services and misc activities	287,430	262,217	-	-	-	-
Sub total - Due to Other Resources and Funds	633,904	1,048,753	-	-	-	-
Due to Special Measures Fund	-	-	-	-	-	-
United Nations	-	1,037	-	-	-	-
United Nations Office of Project services	15,955	12,978	-	-	-	-
United Nations Population Fund	-	-	-	-	-	-
Government Advances for rehabilitation costs	-	-	-	918	-	-
Agency reimbursement of construction costs	-	-	3,672	3,651	-	-
Deferred rent income	-	-	-	156	-	-
Reserve for transitional measures	1,500	134	-	-	-	-
Reserve for budgeted separations	7,000	-	-	-	-	-
Reserve for UN House initiative	3,800	-	-	-	-	-
Reserve for Medical Evacuation	-	-	-	-	1,377	-
TOTAL LIABILITIES	799,772	1,186,382	385,167	333,072	42,138	29,629
Operational reserve	100,000	200,000	54,000	-	51,700	48,500
Endowment fund (PAPP)	-	-	3,000	-	-	-
Funds balance - authorized level	-	-	25,000	25,000	-	-
Special Capital Resources	1,570	1,570	-	-	-	-
Unexpended Resources	107,016	204,975	1,250,888	1,199,066	117,727	130,778
Total Unexpended Resources and Special Capital Resources	108,586	206,545	1,250,888	1,199,066	117,727	130,778
TOTAL RESERVES AND FUND BALANCES	208,586	406,545	1,332,888	1,224,066	169,427	179,278
TOTAL LIABILITIES AND RESERVES AND FUND BALANCES	1,008,358	1,592,927	1,718,055	1,557,138	211,565	208,907
	statement II.1		statement II.2		schedule 7	

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998-1999

OVERVIEW
Statement of Cash Flows for the biennium ended 31 December 1999

(Thousands of United States dollars)

	Regular Resources Activities 1999	Regular Resources Activities 1997	Other Resources Activities 1999	Other Resources Activities 1997	Funds Administered by UNDP 1999	Funds Administered by UNDP 1997
CASH FLOWS FROM OPERATING ACTIVITIES						
Excess (shortfall) of income over expenditure	(187,956)	(157,712)	110,136	330,583	(8,039)	14,369
Items not involving movement of cash	-		-	19,183	-	-
Sub total	(187,956)	(157,712)	110,136	349,766	(8,039)	14,369
1 - **Add Inflows (Less outflows)**						
Increase (decrease) in accounts payable and other liabilities	196	9,001	29,972	10,762	2,039	1,695
(Increase) decrease in other accounts receivable	(13,191)	(2,727)	(19,880)	(12,562)	(9,001)	(55)
(Increase) decrease in operating funds provided to Governments - net	1,600	2,596	(16,960)	(78,076)	1,677	695
(Increase) decrease in operating fund provided to Executing agents - net	(8,054)	(13,580)	(69,916)	22,202	3,089	1,060
Increase (decrease) in Reserve for Transitional Measures	1,380	(6,307)	-	-	-	-
Increase (decrease) in reserves for budgeted separations	7,508	(12,657)	-	-	-	-
Increase (decrease) in unliquidated obligations	(3,016)	19,656	8,227	(17,616)	(3,708)	(3,926)
Increase (decrease) in Reserves for UN House Initiative	1,800		-	-	-	-
Less interest income	60,300	67,120	137,081	95,173	20,837	19,533
Net cash from operating activities	(267,901)	(226,539)	(76,697)	176,181	(34,838)	(5,695)
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES						
2 - **Add Inflows (Less outflows)**						
Increase (decrease) in due to other programmes - net	(618,182)	13,902	-		10,745	26,612
Increase (decrease) in Due to United Nations	(3,690)	316	-	-	-	
Increase (decrease) in Due to UNOPS	2,977	7,606	-	-	-	
Increase (decrease) in Due to UNFPA	(13,670)	(7,916)	-	-	-	
(Increase) decrease in accrued interest	5,323	(541)	(6,027)	(9,157)	388	(3,009)
(Increase) decrease in loans to Governments	-		-	-	2,970	6,557
Proceeds from sale of capitalized assets	-		-	1,300	-	-
Recovery of capitalized assets - net	-		-	(598)	-	
Long - term receivable	-		-	(1,127)	-	-
(Increase) decrease in due from UNDP Regular resources - net	-		393,303	(40,612)	-	-
Add interest income	60,300	67,120	137,081	95,173	20,837	19,533
Net cash from investing and financing activities	(551,108)	101,129	510,356	65,179	42,990	49,693
CASH FLOWS FROM OTHER SOURCES						
Savings on prior biennium's obligations	1,941	4,776	1,087	1,073	-	57
Refunds to donors and transfers to/from other funds - net	-		(51,383)	14,619	(4,412)	(8,310)
Movement in operational reserves	(20,000)		96,000	-	3,200	8,310
Movement in reserve for medical evacuation	-		-	-	1,377	-
Transfers (to) from reserves and other funds	6,152	(37,527)	-	-	-	-
Net cash from other sources	(11,907)	(32,751)	(8,296)	15,692	165	57
NET INCREASE (DECREASE) IN CASH, LETTERS OF CREDIT AND INVESTMENTS	(629,366)	(157,561)	639,069	236,053	9,035	65,057
1 - CASH, LETTERS OF CREDIT AND INVESTMENTS AS AT 1 JANUARY	1,415,870	1,573,431	279,133	49,281	182,849	137,592
2 - CASH, LETTERS OF CREDIT AND INVESTMENTS AS AT 31 DECEMBER	786,504	1,415,870	918,202	279,133	192,876	182,649
	statement II.1		statement II.2		schedule 7	

The accompanying notes are an integral part of the financial statements.

a/ See statement I.1

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

OVERVIEW

Movement in resources balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

	Regular Resources Activities	Other Resources Activities	Funds Administered by UNDP
Balance as at 1 January 1998	284,375	1,199,066	130,778
Net excess (shortfall) of income over expenditure	(107,956)	115,116	(8,639)
Savings on prior biennium's obligations	1,866	1,087	
Transfer (to) from reserves	7,700	(54,000)	(4,100)
Refunds to donors and transfers (to) from other funds	(1,569)	(10,381)	(312)
Balance as at 31 December 1999	137,016	1,250,888	117,727

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998-1999

Statement I. Income and expenditures and fund balances for the biennium ended 31 December 1999
I.1 Regular Resources Actvities

(Thousands of United States dollars)

		Core Activities		Special Measures Fund for Least Developed Countries (LDCs)		Total Regular Resources Activities	
		1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME							
Contributions		1,451,582	1,621,434	2	13	1,451,584	1,621,447
Less transfer to Biennial support budget	note 6	(24,466)	(12,555)	-	-	(24,466)	(12,555)
Contributions - net		1,427,116	1,608,879	2	13	1,427,118	1,608,892
Interest Income	note 7	68,288	87,120	-	-	68,288	87,120
Other Income	schedule 1	8,974	2,215	-	-	8,974	2,215
TOTAL INCOME		1,504,378	1,698,214	2	13	1,504,380	1,698,227
EXPENDITURE							
Programme		1,077,006	1,190,601	761	760	1,077,767	1,191,361
Programme support - Implementing agents		89,871	113,033	-	-	89,871	113,033
Programme support to Resident Coordinator		21,033	6,810	-	-	21,033	6,810
UNDP Sectoral support services		527	11,073	-	-	527	11,073
Biennial support budget - net	schedule 3	493,133	485,584	-	-	493,133	485,584
Other Expenditure	schedule 1	10,000	47,378	5	-	10,005	47,378
TOTAL EXPENDITURE		1,691,570	1,854,479	766	760	1,692,336	1,855,239
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		(187,192)	(156,265)	(764)	(747)	(187,956)	(157,012)
Savings on prior biennium's obligations		3,846	4,756	-	-	3,846	4,756
Transfer (to) from reserves		7,700	-	-	-	7,700	-
Refunds to donors and transfers (to) from other funds		(1,549)	(1,653)	-	-	(1,549)	(1,653)
Fund balances, 1 January		273,023	426,185	11,952	12,699	284,975	438,884
FUND BALANCES, 31 DECEMBER		95,828	273,023	11,188	11,952	107,016	284,975

overview

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998-1999

Statement I. Income and expenditure and fund balances for the biennium ended 31 December 1999

I.2 Other Resources Activities

(Thousands of United States dollars)

		UNDP Cost-Sharing		Government Cash Counterpart Contributions (GCCC)		Trust Funds Established by UNDP		Reimbursable Support Services and Miscellaneous Activities		Elimination (3))		Total Other Resources Activities	
		1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME													
Contributions		2,451,735	1,741,861	10,856	18,067	603,861	541,323	343,524	373,685	-	-	3,409,976	2,674,936
Interest Income	note 7	49,486	33,102	-		49,688	43,915	37,907	18,169	-	-	137,081	95,186
Other Income	schedule 1	-		-		304	1,066	169,059	140,016	(85,176)	(79,898)	84,247	61,182
TOTAL INCOME		2,501,221	1,774,963	10,856	18,067	653,913	586,304	550,490	531,870	(85,176)	(79,898)	3,631,304	2,831,304
EXPENDITURE													
Programme		2,269,805	1,517,080	7,381	12,624	661,560	406,131	336,423	367,288	-	-	3,275,153	2,303,123
Programme support -													
Implementing agents		27,984	20,272	85	216	23,586	20,130	6,043	5,676	-	-	57,677	46,294
Programme support to Resident													
Coordinator		-		-		-	-	690	4,190	-	-	690	4,190
Biennial support budget - net	schedule 3	76,636	71,155	-		33,699	28,750	145,451	111,890	(85,176)	(79,898)	169,610	131,905
Other Expenditure	schedule 1	-		-		1,094	620	202	14,385	-	-	1,296	15,005
TOTAL EXPENDITURE		2,374,425	1,608,507	7,466	12,840	700,683	455,643	508,808	503,629	(85,176)	(79,898)	3,506,186	2,500,721
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		126,796	166,456	3,390	5,227	(46,770)	130,659	41,682	28,241	-		125,118	330,583
Savings on prior biennium's obligations		-		-		-	108	1,087	965	-	-	1,087	1,073
Transfer (to) from reserves		-		-		-	-	(54,000)	-	-	-	(54,000)	
Refunds to donors and transfers (to) from other funds		81	(313)	-		(5,683)	(21,188)	(5,018)	3,161	-	-	(10,381)	(19,118)
Fund balances, 1 January		572,821	406,378	16,196	10,961	443,796	336,177	166,255	114,906	-	-	1,199,066	868,728
FUND BALANCES, 31 DECEMBER		699,698	572,821	19,603	16,196	391,583	443,796	140,005	166,255	-		1,290,888	1,199,066
						schedule 5		schedule 6				overview	

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Statement II - Assets, liabilities and Reserves & Fund balances

as at 31 December

II.1 Regular Resources Activities

(Thousands of United States dollars)

		Core Activities		Special Resources Fund for Least Developed Countries (LDCs)		Elimination (note 23)		Total Regular Resources Activities	
		1999	1997	1999	1997	1999	1997	1999	1997
ASSETS									
Cash	note 8	13,626		-		-		13,626	
Government letters of credit and									
Promissory notes	note 9			-		-	-	-	
Investments held for:									
Operational Reserves	note 2 (b)	180,000	200,000	-		-	-	180,000	200,000
Regular Resources		39,912	257,457	-		-	-	39,912	257,457
Cost sharing		137,831	516,070	-		-	-	137,831	516,070
Govt Cash Counterpart contributions		19,768	16,194	-		-	-	19,768	16,194
Funds and Trust Funds		151,365	181,418	-		-	-	151,365	181,418
Reimbursable services and misc									
activities		230,854	244,727	-		-	-	230,854	244,727
Medical Insurance Plan		13,150		-		-		13,150	-
Sub total - Investments		772,880	1,415,870	-	-	-	-	772,880	1,415,870
Total Cash, Letters of credit and Investments		786,506	1,415,870	-	-	-	-	786,506	1,415,870
Advances									
Operating funds provided to									
Governments		69,062	68,723	-		-		69,062	68,723
Operating funds provided to									
Executing agents		87,706	63,671	-	-	-	-	87,706	63,671
Account receivables and Deferred charges									
Due from:									
Due from Core Activities		-		11,188	11,952	(11,188)	(11,952)	-	
Reserves for Field Accommodation		18,366	17,491	-		-	-	18,366	17,491
Junior Professional Officers									
Programme		36,231		-		-	-	36,231	-
Trust Funds Established by UNDP		12,860	53,509	-		-	-	12,860	53,509
Funds Administered by UNDP		28,678	15,162	-		-	-	28,678	15,162
United Nations Population Fund		13,873	29,194	-		-	-	13,873	29,194
United Nations Office for Project									
Services		-		-		-	-	-	
United Nations		2,651		-		-	-	2,651	
Other accounts receivable and									
deferred charges	note 12 (a)	33,029	19,819	-		-	-	33,029	19,819
Accrued interest		7,889	11,212	-		-	-	7,889	11,212
Special Contribution Asset	note 13	1,570	1,570	-		-	-	1,570	1,570
TOTAL ASSETS		1,088,358	1,672,927	11,188	11,952	(11,188)	(11,952)	1,088,358	1,672,927

II.1 Regular Resources Activities (continued)

		Core Activities		Special Resources Fund for Least Developed Countries (LDCs)		Elimination (note 23)		Total Regular Resources Activities	
		1999	1997	1999	1997	1999	1997	1999	1997
LIABILITIES									
Operating funds payable to Governments		5,106	3,013	-	-	-	-	5,106	3,013
Operating funds payable to Executing agents		31,972	6,393	-	-	-	-	31,972	6,393
Unliquidated obligations	note 17	64,616	68,368	-	-	-	-	64,616	68,368
Accounts payable	note 12 (b)	65,901	65,706	-	-	-	-	65,901	65,706
Due to Other Resources and Funds									
Cost sharing		137,833	516,076	-	-	-	-	137,833	516,076
Govt Cash Counterpart Contributions		19,768	16,394	-	-	-	-	19,768	16,394
Due to Core Activities		-	-	-	-	-	-	-	-
Trust Funds established by UNDP		188,232	263,216	-	-	-	-	188,232	263,216
Funds Administered by UNDP		663	11,053	-	-	-	-	663	11,053
Reimbursable services and misc activities		307,438	262,217	-	-	-	-	307,438	262,217
Sub total: Due to other Resources and Funds		653,904	1,068,953	-	-	-	-	653,904	1,068,953
Due to Special Measures Fund		11,188	11,952	-	-	(11,188)	(11,952)	-	-
United Nations		-	1,037	-	-	-	-	-	1,037
United Nations Office of Project services		15,955	12,978	-	-	-	-	15,955	12,978
United Nations Population Fund		-	-	-	-	-	-	-	-
Reserve for transitional measures	note 15 (a)	1,500	134	-	-	-	-	1,500	134
Deferred rent income		-		-	-	-	-	-	-
Reserve for budgeted separations	note 15 (e)	7,000		-	-	-	-	7,000	-
Reserve for UN House initiative	note 15 (b)	3,800		-	-	-	-	3,800	-
TOTAL LIABILITIES		810,960	1,198,134	-		(11,188)	(11,952)	799,772	1,186,182
RESERVES AND FUND BALANCES									
Operational reserve	note 2 (h)	180,000	200,000	-		-	-	180,000	200,000
Special Capital Resources	note 11	1,570	1,670	-		-	-	1,570	1,670
Unexpended Resources		95,828	274,923	11,188	11,952	-		107,016	286,875
Total Unexpended Resources and Special Capital Resources		97,398	276,593	11,188	11,952	-	-	108,586	288,545
TOTAL RESERVES AND FUND BALANCES		277,398	476,593	11,188	11,952	-	-	288,586	488,545
TOTAL LIABILITIES AND RESERVES AND FUND BALANCES		1,088,358	1,674,727	11,188	11,952	(11,188)	(11,952)	1,088,358	1,674,727

The accompanying notes are integral part of the financial statements.

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Statement II - Assets, liabilities and Reserves and Fund Balances
as at 31 December
II.2 Other Resources Activities

(Thousands of United States dollars)

Report Run date: Jul 24 2000 08:47PM

		UNDP Cost-Sharing		Government Cash Counterpart Contributions (GCCC)		Trust Funds Established by UNDP		Reimbursable Support Services and Miscellaneous Activities		Total Other Resources Activities	
		1999	1997	1999	1997	1999	1997	1999	1997	1999	1997
ASSETS											
Cash	note 8			-		4	219	3,651	2,408	3,655	2,627
Government letters of credit and Promissory notes	note 9	13,306	357	-		31,250		-		44,556	357
Investments held for											
Regular Resources				-		227,451	276,149	-		227,451	276,149
Reimbursable services and misc activities				-		-		39,036		39,036	
Cost sharing		400,000		-		-		-		400,000	
Sub total Investments		400,000		-		227,451	276,149	39,036		666,487	276,149
Total Cash, Letters of credit, Promissory notes and Investments		413,306	357	-		258,705	276,368	42,687	2,408	714,698	279,133
Advances											
Operating funds provided to Governments		130,222	102,486	449		24,042	26,108	-	-	154,713	128,594
Operating funds provided to Executing agents		87,704	24,761	-		1,751	1,434	-		89,455	26,195
Account receivables and deferred charges											
Due from Core Activities		137,831	516,074	19,768	16,194	188,232	243,216	267,430	262,217	613,261	1,037,701
Other accounts receivable and deferred charges	note 12 (a)	52,481	18,525	-		5,787	7,091	8,273	1,061	66,541	26,677
Accrued interest		16,441	12,694	-		5,439	5,159	-	-	21,880	17,853
Long-term Accounts Receivable	note 11	-		-		-		953	1,127	953	1,127
Loans to Governments		-		-		-		1,225	1,824	1,225	1,824
Construction Costs		-		-		-		65,308	44,550	65,308	44,550
Capitalized Rehabilitation		-		-		-		1,265	4,721	1,265	4,721
Household Appliance Rental Scheme		-		-		-		-	309	-	309
Allowance for write down		-		-		-		(11,224)	(11,534)	(11,224)	(11,534)
TOTAL ASSETS		837,985	674,897	20,217	16,194	483,956	559,376	375,897	306,663	1,718,055	1,557,130

II.2 Other Resources Activities(continued)

		UNDP Cost-Sharing		Government Cash Counterpart Contributions (GCCC)		Trust Funds Established by UNDP		Reimbursable Support Services and Miscellaneous Activities		Total Other Resources Activities	
		1999	1997	1999	1997	1999	1997	1999	1997	1999	1997
LIABILITIES											
Operating funds payable to Governments		14,093	6,400	612	-	3,179	304	-	-	17,884	6,704
Operating funds payable to Executing agents		21,617	2,486	-	-	23,113	24,898	-	-	44,730	27,384
Unliquidated obligations	note 17	50,200	59,385	-	-	42,912	32,350	89,636	82,776	182,748	174,511
Accounts payable	note 12 (b)	52,377	33,805	3	-	7,333	519	15,007	10,424	74,720	44,748
Due to UNDP - Regular Resources by											
Reserve for Field Accommodation		-		-	-	-	-	16,366	17,491	16,366	17,491
Junior Professional Officers Programme		-		-	-	-	-	34,231	-	34,231	-
Trust Funds		-		-	-	12,840	57,509	-	-	12,840	57,509
Government Advances for rehabilitation costs		-		-	-	-	-	-	918	-	918
Agency reimbursement of construction costs		-		-	-	-	-	3,672	3,651	3,672	3,651
Deferred rent income		-		-	-	-	-	-	156	-	156
TOTAL LIABILITIES		138,287	102,076	615		89,377	115,580	156,892	115,416	385,167	333,072
RESERVES AND FUND BALANCES											
Funds balance - authorized level		-		-		-	-	25,000	25,000	25,000	25,000
Operational reserve		-		-		-	-	54,000	-	54,000	-
Endowment fund (PAPP)		-		-		3,000	-	-	-	3,000	-
Unexpended Resources		699,698	572,821	19,602	16,194	391,583	443,796	140,005	166,255	1,250,888	1,199,066
TOTAL RESERVES AND FUND BALANCES		699,698	572,821	19,602	16,194	394,583	443,796	219,005	191,255	1,332,888	1,224,066
TOTAL LIABILITIES AND RESERVES AND FUND BALANCES		837,985	674,897	20,217	16,194	483,956	559,376	375,897	306,671	1,718,055	1,557,138
						schedule 5		schedule 6		overview	

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Statement III: Statement of Cash Flows for the biennium ended 31 December 1999
III.1 Regular Resources Activities

(Thousands of United States dollars)

	Core Activities	Special Resources Fund for Least Developed Countries (LDCs)	Total Regular Resources Activities 1999	1997
CASH FLOWS FROM OPERATING ACTIVITIES				
Excess (shortfall) of income over expenditure	(187,192)	(764)	(187,956)	(157,012)
1 - Add Inflows (Less outflows)				
Increase in accounts payable	196	-	196	9,401
(Increase) in other accounts receivable	(13,191)	-	(13,191)	(2,027)
Decrease in operating funds provided to governments	1,480	-	1,480	2,500
(Increase) in operating funds provided to executing agents	(8,454)	-	(8,454)	(10,580)
Increase (decrease) in Reserve for Transitional Measures	1,366	-	1,366	(8,302)
Increase (decrease) in reserves for budgeted separations	7,000	-	7,000	(12,357)
Increase (decrease) in unliquidated obligations	(3,936)	-	(3,936)	19,458
Increase (decrease) in Reserves for House Initiative	3,800	-	3,800	
Less interest income	68,200		68,200	87,120
Net cash from operating activities	(267,217)	(764)	(267,981)	(226,219)
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES				
2 - Add Inflows (Less outflows)				
(Increase) in due from UNFPA	(13,678)	-	(13,678)	(7,618)
Increase (decrease) in due to other programmes - net	(411,366)	764	(410,602)	11,800
(Increase) decrease in accrued interest	5,323	-	5,323	(561)
(Increase) decrease in due from United Nations	(3,600)	-	(3,600)	358
Increase in due to UNOPS	2,977	-	2,977	7,808
Add interest income	68,200		68,200	87,120
Net cash from investing and financing activities	(352,144)	764	(351,380)	101,129
CASH FLOWS FROM OTHER SOURCES				
Savings on prior biennium's obligations	3,845	-	3,845	6,756
Refunds to Donors and Transfers to/from	6,152	-	6,152	(17,507)
Movement to operational reserves	(20,000)		(20,000)	
Net cash from other sources	(10,003)		(10,003)	(10,751)
NET INCREASE (DECREASE) IN CASH, LETTERS OF CREDIT AND INVESTMENTS	(629,364)	-	(629,364)	(157,661)
1 - CASH, LETTERS OF CREDIT AND INVESTMENTS AS AT 1 JANUARY	1,415,870	-	1,415,870	1,573,531
2 - CASH, LETTERS OF CREDIT AND INVESTMENTS AS AT 31 DECEMBER	786,506	-	786,506	1,415,870

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998-1999

Statement III: Statement of Cash Flows for the biennium ended 31 December 1999
III.2 Other Resources Activities

(Thousands of United States dollars)

	Cost-sharing	Government Cash Counterpart Contributions (GCCC)	Trust Funds Established by UNDP	Reimbursable Support Services and Miscellaneous Activities	Total Other Resources Activities 1999	1997
CASH FLOWS FROM OPERATING ACTIVITIES						
Excess (shortfall) of income over expenditure	126,796	3,408	(46,770)	31,682	115,116	330,583
Income not involving movement of cash		-	-	-	-	14,181
Sub total	126,796	3,408	(46,770)	31,682	115,116	344,764
1 - Add Inflows (Less outflows)						
Increase (decrease) in accounts payable and other liabilities	10,564	9	6,816	8,583	25,972	20,762
(Increase) decrease in other accounts receivable	(11,956)	-	1,308	(7,232)	(17,880)	(12,582)
(Increase) decrease in operating funds provided to Governments - net	(20,043)	163	4,937	-	(14,943)	(70,076)
(Increase) decrease in operating fund provided to Executing agents - net	(43,812)	-	(2,102)	-	(45,914)	22,282
Increase (decrease) in unliquidated obligations	(9,105)	-	10,562	6,660	8,117	(17,816)
Less interest income	49,486	-	49,688	27,907	127,081	95,173
Net cash from operating activities	(11,114)	3,579	(74,943)	7,986	(74,697)	174,181
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES						
2 - Add Inflows (Less outflows)						
(Increase) decrease in due from UNDP Regular resources - net	378,203	(3,579)	10,335	8,318	393,102	(40,412)
(Increase) decrease in accrued interest	(3,707)	-	(288)	-	(4,027)	(9,157)
Proceeds from sale of capitalized assets		-	-	-	-	1,308
Recovery of capitalized assets - net		-	-	-	-	(598)
Long - term receivable			-	-	-	(1,127)
Add interest income	49,486	-	49,688	27,907	127,081	95,173
Net cash from investing and financing activities	423,982	(3,579)	59,722	36,225	514,378	45,179
CASH FLOWS FROM OTHER SOURCES						
Savings on prior biennium's obligations			-	1,087	1,087	1,070
Refunds to donors and transfers to/from other funds - net	81	-	(2,443)	(59,019)	(61,381)	16,418
Movement in operational reserves				54,000	54,000	
Net cash from other sources	81		(2,443)	(3,932)	(6,294)	15,492
NET INCREASE (DECREASE) IN CASH, LETTERS OF CREDIT AND INVESTMENTS	[illegible]		(17,663)	40,279	437,565	216,852
1 - CASH, LETTERS OF CREDIT AND INVESTMENTS AS AT 1 JANUARY	357		276,368	2,408	279,133	62,281
2 - CASH, LETTERS OF CREDIT AND INVESTMENTS AS AT 31 DECEMBER	415,306		258,705	42,687	716,698	279,133

Overview

The accompanying notes are an integral part of the financial statements.

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Statement IV

Movement in resources balances for the biennium ended 31 December 1999

IV.1 Regular Resources Activities

(Thousands of United States dollars)

Report Run Date: Jul 25 2000 08:33AM

	Core Activities	Special Measures Fund for Least Developed Countries (LDCs)	Total Regular Resources Activities
Balance as at 1 January 1998	275,023	11,952	286,975
Net excess (shortfall) of income over expenditure	(187,192)	(764)	(187,956)
Savings on prior biennium's obligations	3,846		3,846
Transfer (to) from reserves	7,700		7,700
Refunds to donors and transfers (to) from other funds	(3,549)		(3,549)
Balance as at 31 December 1999	95,828	11,188	107,016

overview

The accompanying notes are an integral part of the financial statements

BIENNIUM 1998 - 1999

Statement IV

Movement in resources balances for the biennium ended 31 December 1999

IV.2 Other Resources Activities

(Thousands of United States dollars)

Report Run Date: Jul 25 2000 08:33AM

	UNDP Cost Sharing	Government Cash Counterpart Contributions (GCCC)	Trust Funds Established by UNDP	Reimbursable Support Services and Miscellaneous Activities	Total Other Resources Activities
Balance as at 1 January 1998	572,821	16,194	443,796	166,255	1,199,066
Net excess (shortfall) of income over expenditure	126,796	3,408	(46,770)	31,682	115,116
Savings on prior biennium's obligations		-	-	1,087	1,087
Transfer (to) from reserves	-	-	-	(54,000)	(54,000)
Refunds to donors and transfers (to) from other funds	81	-	(5,443)	(5,019)	(10,381)
Balance as at 31 December 1999	699,698	19,602	391,583	140,005	1,250,888

overview

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 1
Regular Resources: Other income and expenditure for the biennium ended 31 December 1999

(Thousands of United States dollars)

		1998-1999	1996-1997
OTHER INCOME			
Miscellaneous income from accounts of executing agencies(net)		1,214	-
Discounts from preferred carriers		593	437
Miscellaneous income		2,201	1,740
Donations		1	38
Net adjustments on revaluation of currencies and gains on exchange		4,917	-
Additional programme support cost reimbursements/recovery		5	-
Rental income		43	-
TOTAL OTHER INCOME		8,974	2,215
		Statement I.1	
OTHER EXPENDITURE			
Net adjustments on revaluation of currencies and losses on exchange		3,135	28,812
Additional programme support cost reimbursement / recovery		-	104
Exchange adjustments from accounts of executing agents		4,000	3,174
Bank charges		298	128
Expert hiatus financing, extended sick leave costs and compensatory payments		145	220
Premium on currency options		-	66
Miscellaneous charges from accounts of executing agents - net		-	443
Miscellaneous expenditure		1	-
Subtotal other expenditure		7,579	32,947
Write off and provision for asset write - down	note 11	2,421	14,431
TOTAL OTHER EXPENDITURE		10,000	47,378
		Statement I.1	

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 2: Programme expenditure by Executing agents and by Sources of funds

(Thousands of United States dollars)

Biennium ended 31 December 1999

Expenditure charged to Regular Resources Activities

Agents	Target for Resource Assignment from Core (TRAC): Country and Regional Line: TRAC (Lines 1.1.1/1.1.2/1.2)	Target for Resource Assignment from Core (TRAC): Countries in Special Situations, TRAC (Line 1.1.3)	Global, Interregional and Special Activities (Line 1.3)	Evaluation (Line 1.4)	TCDC Special Resources for TCDC activities (Line 1.5)	IPF Add-on-Funds: IPF (Add-on funds)	AOS saving funds - IPF sub-line	Special Programme Resources	Special Measures Fund for the Least Developed Countries	IPF/Global Projects
UNITED NATIONS	11,158	891	52	-	1,006	-	-	565	-	-
UNIDO	11,415	-	-	-	-	-	-	13	-	-
FAO	31,552	91	2,086	-	-	-	-	20	-	-
UNESCO	14,262	-	8	-	-	-	-	-	-	-
ILO	19,597	-	-	-	-	-	-	788	110	-
ECA	479	-	-	-	-	-	-	(8)	-	-
ECE	86	-	-	-	-	-	-	-	-	-
ECLAC	46	-	-	-	-	-	-		-	-
ESCAP	284	-	-	-	-	-	-	-	-	-
ESCWA	1,137	-	(8)	-	-	-	-	55	-	-
UNCTAD	4,383	-	1,026	-	186	-	-	231		-
UNCHS	22,059	-	7,431	-		-		(2)		
ICAO	47,255	-	-	-	-	-	189	-	-	-
WHO	15,410	-	4,558	-	-	-	-	309	-	-
IBRD	1,395	-	1,037	-	-	-	8	(179)		
IFC	664	-	-	-	-	-	-		-	-
UPU	50	-	-	-	-	-	-	-		
ITU	3,167	-	-	30	-	-	-		151	
WMO	3,244	-	-		-	-	-		-	
IMO	197	-	-	-	-	-	-	-		
WIPO	321	-	-		-	-	-			
IAEA	1,018		-	-	-	-	-			
ITC	3,502	-	-			-	-		-	-
WTO	1,027	-			-	-	-		-	
AFESD	656		-		-	-	-		-	-
AfDB	182	-	-		-	-	-		-	
AsDB	140		-	-		-	-			-
IMF	4,147		230			7				
UNV	11,651	579		-	-			159	-	
UNITAR			-			-	-		-	
DEVNET	622				-				-	
ION	1,281	575		-			-			
NEX	2,591,955	19,024	1		306	3,028	17,580	[illegible]	445	-
UNOPS	275,595	57,356	51,117	3,158	10,921	535	2,692	17,292	55	
UNDP Direct	19,676	9,824	1,757	-		-	51	[illegible]	-	-
NGOs	4,614	493	-		-	-	44		-	
UNDP (ADJ) c/	7,760		71	-			-	-		
Total inclusive of Cost-sharing	3,118,587	89,819	69,374	3,188	12,419	3,570	20,564	30,293	761	-
Charged to Other source of funds	902,931	72,120	51,909	3,188	6,083	3,274	13,169	25,302	761	
Cost-sharing	2,215,656	17,699	17,465	-	6,336	296	7,395	4,991		-
Total inclusive of Cost-sharing	3,118,587	89,819	69,374	3,188	12,419	3,570	20,564	30,293	761	

The accompanying notes are an integral part of the financial statements

a/ see statement 1.1

b/ see statement 1.2

c/ (this is for the contents of the [illegible] million difference)

Biennium ended 31 December 1999

IPF/Interregional Projects	IPF/Regional Projects	IPF/Country	Sub total	Government Cash Counterpart Contributions (GCCC) - 4100	Total - Biennium	Amount charged to Cost sharing	Amounts charged to other sources of funds	Total 1996-1997	
								GCCC	Other sources of funds
-	-	-	13,652	2,898	16,550	3,911	12,639	2,922	54,484
-	-	-	11,428	52	11,480	2,935	8,545	230	26,701
-	-	-	33,749	-	33,749	4,464	29,285	231	58,381
-	-	-	14,268	174	14,442	3,795	10,647	-	14,324
-	-	-	20,491	-	20,491	4,892	15,599	-	35,831
-	-	-	475	-	475	-	475	-	1,215
-	-	-	86	-	86	-	86	-	881
-	-	-	46	-	46	-	46	-	465
-	-	-	284	-	284	160	124	-	4,144
-	-	-	1,184	-	1,184	718	466	-	301
-	-	-	5,826	-	5,826	955	4,871		7,492
-	-	-	29,488	67	29,555	11,470	18,085	(233)	32,122
-	-	-	47,444	-	47,444	46,586	858	1,369	76,955
-	-	-	20,276	-	20,276	2,116	18,160	-	23,394
-	-	-	2,262	-	2,262	782	1,480	-	20,007
-	-	-	664	-	664	129	535	-	1,601
-	-	-	50	-	50	18	32	-	727
-	-	-	3,328	-	3,328	2,724	604	46	5,757
-	-	-	3,244	-	3,244	2,094	1,150	-	2,335
-	-	-	197	-	197	-	197	-	53
-	-	-	321	-	321	83	238	-	1,054
-	-	-	1,819	-	1,819	1,100	719	-	2,287
-	-	-	3,502		3,502	2,190	1,312		5,572
-	-	-	1,027	-	1,027	162	865	-	2,625
-	-	-	656	-	656	297	359	-	1,200
-	-	-	182	-	182	-	182		161
-	-	-	140	-	140	-	140	-	283
-	-	-	4,392		4,392	1,227	3,165		7,363
-	-	-	12,339	-	12,339	2,254	10,085		19,315
-	-	-		-	-		-	-	[illegible]
-	-	-	622	-	622	324	298		[illegible]
-	-	-	1,956	-	1,956	-	1,956	-	[illegible]
-	-	-	2,648,831	3,992	2,652,823	2,073,532	579,291	6,413	[illegible]
-	-	-	418,740	199	418,939	79,950	338,989	1,646	[illegible]
-	-	-	31,713	-	31,713	15,784	15,929	-	13,954
-	-	-	5,157	-	5,157	2,452	2,705		[illegible]
-	-	-	8,139	-	8,139	2,699	5,439		
-	-	-	3,347,572	7,381	3,354,953	2,269,805	1,085,148	12,624	[illegible]
	-	-	1,077,767	7,381	1,085,148				1,191,361
-	-		2,269,805	-	2,269,805		-	-	[illegible]
	-	-	3,347,572	7,381	3,354,953		.	.	[illegible]

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 2.1
Agents support costs and Technical support services by Implementing agents and Sources of fund

(Thousands of United States dollars)

	Biennium ended 31 December 1999							
	Countries in Special Situations (TRAC 1.1.3)	Global, Interregional and Special Activities	Evaluation Line 1.4	TCDC Line 1.5	Support for Technical Services - STS (Line 2.3)	Resource for implementation (Line 1.6)	Support for Policy and Programme Development - SPPD (	TRAC (Lines 1.1.1, 1.1.2, & 1.2)
Agents								
UNITED NATIONS	-	10	-	101	2,404	7	7,205	3,183
UNIDO	-	-	-	-	1,418	-	2,296	1,912
FAO	13	1	-	-	3,650	-	4,519	4,239
UNESCO	-	-	-	-	1,584	-	2,776	1,489
ILO	-	-	-	-	1,776	-	4,285	2,626
ECA	-	-	-	-	86	-	200	46
ECLAC	1	-	-	-	304	-	1,008	26
ESCAP	-	-	-	-	17	-	342	28
ESCWA	-	-	-	-	-	-	-	148
ECE	-	-	-	-	-	-	131	-
UNCTAD	-	91	-	19	161	-	843	724
UNCHS	-	776	-	-	1,439	-	1,547	2,663
ICAO	-	-	-	-	83	2	125	3,980
WHO	-	267	-	-	38	-	357	1,532
IBRD	-	71	-	-	-	1	-	235
IFC	-	-	-	-	-	-	-	(1,248)
UPU	-	-	-	-	15	-	14	19
ITU	-	-	-	-	-	-	23	11,268
WMO	-	-	-	-	95	-	215	624
IMO	-	-	-	-	-	-	102	38
WIPO	-	-	-	-	-	-	-	69
IAEA	-	-	-	-	22	-	-	347
ITC	-	-	-	-	90	-	245	720
WTO	-	-	-	-	125	-	557	243
AfDB	-	-	-	-	-	-	-	18
ASDB	-	-	-	-	-	-	-	20
IMF	-	17	-	-	-	-	-	560
AFESD	-	-	-	-	-	-	-	65
UNITAR	-	-	-	-	23	-	30	-
IOM	58	-	-	-	-	-	8	159
UNOPS	5,438	2,556	265	1,049	-	-	-	28,173
UNDP	-	2	-	-	-	-	-	-
Total	5,510	3,792	265	1,169	13,330	10	26,828	63,904
Portion charged to Cost-sharing	1,494	1,263	-	597	(68)	20	72	24,810
Net	4,016	2,529	265	572	13,398	(10)	26,756	39,094

Global & Interregional IPF	IPF Add-on	Other resources (SPR, LDCs & SIS, AOS	Total Regular Resources	Government Cash Counterpart Contributions	Total Biennium	Total 1996-1997	
						Regular Resources	GCCC
(5)	-	579	13,483	45	13,528	18,744	103
-	-	438	6,064	-	6,064	10,775	8
3	-	11	12,436	-	12,436	16,197	9
-	-	18	5,867	17	5,884	5,913	-
-	-	62	8,749	-	8,749	11,648	-
-	-	-	331	-	331	168	-
-	-	3	1,342	-	1,342	218	-
-	-	-	387	-	387	489	-
-	-	6	154	-	154	30	-
-	-	-	131	-	131	117	-
-	-	158	1,996	-	1,996	1,443	-
(9)	-	415	6,831	-	6,831	5,271	(10)
-	(44)	47	4,193	-	4,193	7,279	48
-	-	33	2,228	-	2,228	2,737	-
32	-	-	339	-	339	3,902	-
-	-	-	(1,248)	-	(1,248)	215	-
-	-	-	47	-	47	193	-
-	-	(4,113)	7,177	-	7,177	3,512	1
-	-	-	934	-	934	784	-
-	-	-	140	-	140	24	-
-	-	-	69	-	69	273	-
-	-	-	369	-	369	528	-
-	-	29	1,084	-	1,084	1,827	-
-	-	12	937	-	937	787	-
-	-	-	18	-	18	15	-
-	16	8	43	-	43	122	-
7	1	-	585	-	585	1,365	-
-	-	-	66	-	66	139	-
-	-	-	53	-	53	-	-
-	-	-	225	-	225	11	-
1,982	118	3,240	42,820	3	42,823	38,497	-
-	-	-	107	-	107	82	57
2,010	91	946	117,855	65	117,920	133,305	216
8	2	(214)	27,984	-	27,984	20,272	-
2,002	89	1,160	89,871	65	89,936	113,033	216

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

SCHEDULE 3: Biennial support budget for the biennium ended 31 December 1999

Programme support activities

Management and administration costs

Support to operational activities of the United Nations system

(Thousands of United States Dollars)

	Revised appropriations 1998 - 1999	1998-1999 Expenditure			Unencumbered balance 31 December 1999
		Disbursements	Unliquidated obligations	Total	
PROGRAMME SUPPORT ACTIVITIES					
Country offices	271,576	229,242	11,988	241,230	30,346
Headquarters	63,985	56,067	2,750	58,817	5,168
Total	335,561	285,309	14,738	300,047	35,514
MANAGEMENT AND ADMINISTRATION					
MANAGEMENT AND ADMINISTRATION	120,540	114,123	10,292	124,415	(3,875)
Total	120,540	114,123	10,292	124,415	(3,875)
SUPPORT TO OPERATIONAL ACTIVITES OF THE UN SYSTEM					
Country offices	97,606	83,040	4,373	87,413	10,193
Development Group Office	2,614	2,161	40	2,201	413
Inter-Agency Procurement Services Office	3,897	3,351	142	3,493	404
United Nations Volunteers programme	30,376	26,145	815	26,960	3,416
Total	134,493	114,697	5,370	120,067	14,426
Total Biennial support budget - gross	590,594	514,129	30,400	544,529	46,065
Less Income	(72,127)	(51,396)	-	(51,396)	(20,731)
Total Biennial support budget - net	518,467	462,733	30,400	493,133	25,334
				Statement I.1	

The accompanying notes are an integral part of the financial statements

ITED NATIONS DEVELOPMENT PROGRAMME

ENNIUM 1998 - 1999

CHEDULE 4

egular resources: Biennial support budget - Gross

xpenditure against Biennial support budget - Gross by major category of expenditure

for the biennium ended 31 December 1999

(Thousands of United States Dollars)

	Revised appropriations 1998 - 1999	1998-1999 Expenditure			Unencumbered balance 31 December 1999
		Disbursements	Unliquidated obligations	Total	
Posts	403,818	343,917	16,020	359,937	43,881
Other staff costs	9,560	8,995	194	9,189	371
Consultants	6,673	10,958	925	11,883	(5,210)
Travel	16,334	16,839	2,314	19,153	(2,819)
Operating expenses	110,518	98,656	5,352	104,008	6,510
Furniture and equipment	20,859	17,137	3,472	20,609	250
Reimbursements/Contributions	15,152	12,914	1,959	14,873	279
Development support services	7,680	4,713	164	4,877	2,803
Total	590,594	514,129	30,400	544,529	46,065
				schedule 3	

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 5: Trust Funds Established by UNDP

Schedule of Income, Expenditure and Fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Trust Fund	Year	Fund balances as at 1 January a/	Income: Trust Funds: Contributions	Income: Trust Funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust Funds: Project Costs	Expenditure: Trust Funds: Other	Expenditure: Sub-trust funds b/	Expenditure: Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
Fund Manager: BDP															
Trust Fund to Combat Desertification and Drought (UNSO)	1998-1999	23,372	3,779	1,759	1,161	6,699	7,410	5,106	2,884	15,400	(139)	14,532	9,545	-	292
	1996-1997	24,824	9,249	1,962	5,202	16,413	9,144	6,634	1,695	17,473	(392)	23,372	16,350	-	5,350
Trust Fund for the Global Environmental Facility (GEF)	1998-1999	39,719	139,592	4,747	653	144,992	132,739	22,178	2,159	157,076	-	27,635	304,855	(277,220)	2,877
	1996-1997	45,218	112,047	6,055	609	118,711	104,742	16,907	1,876	123,525	(685)	39,719	156,554	(116,835)	230
Multilateral Fund for the Implementation of the Montreal Protocol	1998-1999	84,880	76,169	13,527	1,376	91,072	69,150	9,114	1,075	79,339	-	96,613	65,831	-	-
	1996-1997	72,169	66,558	13,955	612	81,125	60,841	7,263	331	68,435	21	84,880	55,364	-	-
Capacity "21" Trust Fund	1998-1999	49,102	6,876	5,222	63	12,161	15,234	2,271	814	18,319	-	42,944	16,179	-	539
	1996-1997	40,237	17,689	7,227	1,271	26,187	14,186	2,227	771	17,184	(138)	49,102	18,239	-	598
UNDP Energy Account	1998-1999	3,096	1,792	583	(4)	2,371	1,592	574	-	2,166	-	3,301	1,458	-	560
	1996-1997	4,743	2,196	576	-	2,772	3,756	763	2	4,521	102	3,096	2,217	-	2,514
Government of France Trust Fund for the UNDP/World Bank Energy Sector Management Assessment Programme	1998-1999	722	-	80	-	80	144	16	-	160	-	642	166	-	-
	1996-1997	1,100	-	119	-	119	448	49	-	497	-	722	262	-	-
UNDP Trust Fund for the Protection of the Ozone Layer	1998-1999	41	-	5	-	5	-	-	-	-	-	46	9	-	-
	1996-1997	46	-	5	-	5	9	1	-	10	-	41	9	-	-
World Maritime University Trust Fund	1998-1999	53	13	7	-	20	-	-	-	-	-	73	-	-	-
	1996-1997	110	34	10	-	44	100	1	-	101	-	53	-	-	-
Trust Fund to Mainstream Human Development into Operational Activities	1998-1999	1,282	-	142	-	142	-	-	-	-	-	1,424	73	-	-
	1996-1997	1,128	-	127	-	127	(24)	(3)	-	(27)	-	1,282	73	-	-

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Name of Trust Fund	Year	Fund balances as at 1 January a/	Income: Trust Funds: Contributions	Income: Trust Funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust Funds: Project Costs	Expenditure: Trust Funds: Other	Expenditure: Sub-trust funds b/	Expenditure: Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
Global Consultation on Water Supply and Sanitation for the 1990s	1998-1999	90	-	10	-	10	-	-	-	-	(16)	84	23	-	-
	1996-1997	78	-	9		9	(3)	-	-	(3)	-	90	19	-	-
Government of Germany Trust Fund for the UNDP/World Bank Energy Sector Management Assistance Programme	1998-1999	928	-	71	-	71	710	86	-	796	-	203	52	-	53
	1996-1997	577	824	77		901	490	60	-	550	-	928	-	-	59
Trust Fund for UNDP History Project	1998-1999	5	-	-	-	-	-	-	-	-	-	5	-	-	-
	1996-1997	25	6	3	-	9	29	-	-	29	-	5	-	-	-
UNDP Trust Fund for Council on Health Research for Development (COHRED)	1998-1999	(69)	970	-	-	970	989	70	-	1,059	-	(158)	-	(158)	-
	1996-1997	45	908	-	-	908	955	67	-	1,022	-	(69)	72	(141)	-
UNDP Trust Fund for Technical Assistance to Electoral Processes	1998-1999	70	-	7	-	7	-	-	-	-	-	77	-	-	-
	1996-1997	63		7	-	7	-	-	-	-	-	70	-	-	-
Enhancement of Private Sector Role in Development	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997		-		50	50	-	-	50	50	-	-	-	-	-
UNDP Trust Fund in Support of the Activities of the World Commission on Forests and Sustainable Development	1998-1999	(385)	222	1	-	223	(146)	(14)	-	(160)	-	(2)	-	(2)	80
	1996-1997	-	484	(6)	-	478	767	96	-	863	-	(385)	-	(385)	164
UNDP Trust Fund for World Summit on Social Development	1998-1999	9,501	73	785	-	858	3,607	251	-	3,858	(1,393)	5,108	2,981	-	262
	1996-1997		10,458	91	-	10,549	1,003	45	-	1,048	-	9,501	4,376	-	335
UNDP Trust Fund for Public-Private Partnerships for the Urban Environment	1998-1999	707	234	53	806	1,093	817	90	-	907	-	893	47	-	-
	1996-1997	-	1,294	-	-	1,294	529	58	-	587	-	707	448	-	-

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UNDP/Denmark Trust Fund for Local Initiative Facility for Urban Environment (LIFE) in the Low-Income Urban Areas in Thailand	1998-1999	87	-	11	-	11	(6)	(1)	-	(7)	-	105	1	-	-
	1996-1997	357	-	28	-	28	273	25	-	298	-	87	78	-	-
UNDP/Denmark Trust Fund for Global and Regional Support for the Aid Accountability Initiative	1998-1999	2,841	-	204	-	204	2,190	132	-	2,322	-	723	521	-	-
	1996-1997	-	4,302	86	-	4,388	1,449	98	-	1,547	-	2,841	307	-	-
Netherlands Trust Fund for Special Action Programme for Public Administration and Management (SAPAM)	1998-1999	2,327	-	252	-	252	647	65	-	712	-	1,867	965	-	-
	1996-1997	2,164	-	254	-	254	81	10	-	91	-	2,327	1,175	-	-
UNDP Trust Fund to Support Micro-Finance and Enterprise Development	1998-1999	1,069	-	103	-	103	665	67	-	732	-	440	359	-	-
	1996-1997	-	1,079	-	-	1,079	9	1	-	10	-	1,069	1,089	(20)	-
UNDP Development Study Programme	1998-1999	(153)	60	-	-	60	(92)	(1)	-	(93)	-	-	103	(103)	-
	1996-1997	120	53	-	-	53	326	-	-	326	-	(153)	11	(164)	30
UNDP/Sweden Trust Fund on Support to the Technical Advisory Committee on the Global Water Partnership	1998-1999	374	1,479	-	-	1,479	1,258	139	-	1,397	-	456	-	-	-
	1996-1997	-	374	-	-	374	-	-	-	-	-	374	-	-	12
UNDP/Norway Trust Fund for AIJ Clean Development Project	1998-1999	-	436	9	-	445	390	40	-	430	-	15	7	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/EEC Trust Fund for Sustainable Energy as a Tool for Development for ACP Countries	1998-1999	-	458	-	-	458	486	34	-	520	-	(62)	30	(92)	71
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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UNDP/European Commission Ministerial on Poverty and Environment	1998-1999	-	74	-	-	74	-	-	-	-	-	74	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund on Support to the South Asian Regional Technical Avisory Committee (SASTAC) of the Global Water Patnership	1998-1999	-	65	-	-	65	-	-	-	-	-	65	(26)	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund for Support to the Sustainable Energy and Environment Division (SEED) in the Area of Water Resources and Gender	1998-1999	-	609	-	-	609	490	64	-	554	-	55	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund on Support to the Southeast Asian Regional Technical Advisory Committee (SEATEC) of the Global Water Patnership	1998-1999	-	108	-	-	108	22	2	-	24	-	84	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trust Fund for the Follow up Activities to the World Summit on Social Development (WSSD), Phase II	1998-1999	-	2,684	3	-	2,687	194	22	-	216	-	2,471	1,852	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund Agreement on Support to Mainstreaming Environment in UNDP: A UNDP/SIDA Patenrship Regarding Establishment of an Environmental Management	1998-1999	-	110	-	-	110	-	-	-	-	-	110	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund for Support to the project Energy and Women: Generating Opportunities for Development	1998-1999	-	432	-	-	432	50	4	-	54	-	378	-	-	329
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Trust Fund for Special Economic Assistance Programmes	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997	237		13	-	13	-	-	-	-	(250)	-	-	-	-
International Development Research Center Trust Fund for Information Management Trainning Series	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997	(11)		-	-	-	(10)	(1)	-	(11)	-	-	-	-	-
Support to Decentralized Government Programme	1998-1999	-	975	-	-	975	-	-	-	-	-	975	-	-	-
	1996-1997	-		-	-	-	-	-	-	-	-	-	-	-	-
EEC Trust Fund for Forest Management to Support Sustainable Livelihoods in Cameroon, Guyana and Malawi	1998-1999	-	612	-	-	612	-	-	-	-	-	612	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund on Support to the South American Regional Technical Advisory Committee (SAMTAC) of the Global Water Partnership	1998-1999	-	129	-	-	129	81	10	-	91	-	38	34	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL Fund Manager: BDP	1998-1999	219,659	237,751	27,581	4,055	269,387	238,621	40,319	6,932	285,872	(1,548)	201,626	405,067	(277,575)	5,063
	1996-1997	193,230	227,555	30,598	7,744	265,897	199,100	34,301	4,725	238,126	(1,342)	219,659	256,643	(117,565)	9,292
Fund Manager: UNDP Africa															
UNDP Trust Fund for Angola	1998-1999	19,130	111	739	5,044	5,894	3,398	514	10,983	14,895	-	10,129	9,023	-	2,861
	1996-1997	579	7,650	69	16,787	24,506	294	9	5,645	5,948	(7)	19,130	13,635	-	3,128
UNDP/Sweden Trust Fund on Support to a Financial Systems Development Project, Angola Phase II	1998-1999	310	-	-	-	-	188	20	-	208	-	102	161	(59)	-
	1996-1997	923	602	61		663	1,084	131	-	1,215	(61)	310	555	(245)	-

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UNDP Trust Fund for Emergency Humanitarian Assistance to Angola	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997	-		4	-	4	-	-	-	-	(4)	-	-	-	-
Trust Fund for the Norwegian Contribution to the Angolan Petroleum Training Centre in Sumbe	1998-1999	635	-	71	-	71	-	-	-	-	-	706	-	-	-
	1996-1997	572		63		63	-	-	-	-	-	635	-	-	-
UNDP/Sweden Trust Fund for Support to the Preparation of a Country Report on Water Resources in Angola	1998-1999	53	-	-	-	-	-	-	-	-	-	53	-	-	-
	1996-1997	-	53	-	-	53	-		-	-	-	53	-	-	-
UNDP/Denmark Trust Fund for Electoral Assistance Project in Burundi	1998-1999	172	-	19	-	19	-	-	-	-	-	191	-	-	-
	1996-1997	155	-	17	-	17	-	-	-	-	-	172	150	-	-
UNDP/Sweden Trust Fund to Support Reconstruction and Reconciliation Activities in Burundi	1998-1999	108	769	7	-	776	945	28	-	973	-	(89)	-	(89)	853
	1996 1997	142	112	9	-	121	142	4	-	146	(9)	108	609	(501)	1,745
Finland/UNDP Trust Fund for the Construction of an Agro-Veterinary School in Rushashi	1998-1999	1,354	-	122	-	122	13	1	-	14	(921)	541	131	-	-
	1996 1997	1,162	185	138		323	123	8	-	131	-	1,354	145	-	
UNDP Trust Fund for Rwanda	1998-1999	41,881	15,403	2,560	17,464	35,427	32,806	770	14,871	48,447	-	28,861	26,116	-	6,301
	1996-1997	16,875	44,650	808	11,218	56,676	17,723	1,800	12,147	31,670	-	41,881	23,524	-	4,959
Trust Fund for Emergency Assistance to the People's Republic of Mozambique	1998-1999	123	(270)	14	-	(256)	15	-	-	15	-	(148)	163	(311)	-
	1996-1997	1,411	-	70	-	70	1,324	27	-	1,351	(7)	123	162	(39)	-
UNDP Trust Fund for the Mozambique Demobilization Programme	1998-1999	170	-	19	-	19	-	-	-	-	-	189	105	-	-
	1996-1997	157	-	29	-	29	16	-	-	16	-	170	105	-	-

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UNDP Trust Fund for the Reintegration of Demobilized Military Personnel in Mozambique	1998-1999	1,269	-	103	-	103	591	11	-	602	(473)	377	9	-	-
	1996-1997	9,236	1,064	634	-	1,698	9,316	268	-	9,584	(81)	1,269	1,542	(273)	-
UNDP/Norway Trust Fund for Assistance to the Electoral Process in Mozambique	1998-1999	(749)	1,414	60	1,907	3,381	1,201	71	225	1,497	-	1,135	-	-	264
	1996-1997	369	1,921	242	1,333	3,496	2,963	158	1,493	4,614	-	(749)	1,060	(1,809)	1,577
UNDP/IDA Trust Fund for the National Environment Support Programme in Mozambique	1998-1999	251	-	20	-	20	190	10	-	200	-	71	17	-	-
	1996-1997	225	-	26	-	26	-	-	-	-	-	251	208	-	-
UNDP Trust Fund for the Mozambique Mine Clearance Programme	1998-1999	2,220	9,148	240	2,588	11,976	6,500	351	3,399	10,250	-	3,946	6,150	(2,204)	-
	1996-1997	395	2,390	85	-	2,475	606	44	-	650	-	2,220	10,038	(7,818)	835
Sweden Trust Fund for "Support to the Programme for Refugee Reintegration and Rehabilitation of Resettlement Areas in Eritrea"	1998-1999	2,055	-	(43)	-	(43)	1,850	18	-	1,868	-	144	-	-	-
	1996-1997	2,055		211		211	-	-	-	-	(211)	2,055	2,034	-	-
Trust Fund for Democratization Support to Electoral Process in Guinea Bissau	1998-1999	65	(29)	7	-	(22)	1,271	-	-	1,271	-	(1,228)	730	(1,958)	-
	1996-1997	32	-	33		33	-	-	-	-	-	65	11	-	-
UNDP Trust Fund for Demobilization, Reintegration, Rehabilitation and Recovery in Sierra Leone	1998-1999	1,232	-	156	-	156	(151)	(20)	-	(171)	-	1,559	1,081	-	-
	1996-1997	-	2,251	13	-	2,264	906	126	-	1,032	-	1,232	743	-	-
CIDA/UNDP Trust Fund to Support "Recensement general de la population et de l'habitat" in Senegal	1998-1999	491	-	55	-	55	-	-	-	-	-	546	67	-	-
	1996-1997	440	-	51		51			-	-	-	491	67	-	-

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UNDP Trust Fund to Support the Peace Process in North Mali	1998-1999	182	3,604	8	-	3,612	4,076	191	-	4,267	-	(473)	569	(1,042)	5
	1996-1997	1,368	7,935	2	-	7,937	8,842	281	-	9,123	-	182	-	-	5
UNDP/Sweden Trust Fund for Support to the Electoral Process in Mali	1998-1999	66	-	-	-	-	-	-	-	-	-	66	-	-	-
	1996-1997	-	66			66	-	-	-	-	-	66	-	-	-
UNDP Trust Fund for Namibia	1998-1999	113	123	4	-	127	30	3	-	33	-	207	387	(180)	5
	1996-1997	425		54	-	54	337	29	-	366	-	113	325	(212)	5
UNDP Trust Fund for the UN Educational and Training Programme for Southern Africa (UNETPSA)	1998-1999	3,801	1,401	209	2,978	4,588	2,287	113	1,389	3,789	-	4,600	220	-	9
	1996-1997	-	7,250	116	1,201	8,575	2,806	224	1,744	4,774	-	3,801	2,353	-	4
UNDP Trust Fund in Support of the Steering Committee and Secretariat for the United Nations Programme of Action for African Economic Recovery and Development	1998-1999	16	-	2	-	2	-	-	-	-	-	18	10	-	-
	1996-1997	14	-	5		5	3	-	-	3	-	16	10	-	-
Trust Fund with Norway for Support for Governance in Africa	1998-1999	11,476	2,063	1,182	-	3,245	4,456	357	-	4,813	-	9,908	5,635	-	-
	1996-1997	10,090	1,743	592		2,335	863	86	-	949	-	11,476	7,884	-	1,933
African Training and Management Services (ATMS) Project	1998-1999	923	-	122	-	122	805	104	-	909	-	136	30	-	-
	1996-1997	308	1,700	90	-	1,790	1,054	121	-	1,175	-	923	915		-
UNDP/United Support of Artists for Africa Trust Fund	1998-1999	47	-	10	-	10	-	-	-	-	-	57	-	-	-
	1996-1997	319		36		36	277	31	-	308	-	47	-	-	-
UNDP Trust Fund for Assistance to Refugee Related Development Projects in Africa	1998-1999	526	-	37	-	37	1	-	-	1	-	562	144	-	-
	1996-1997	802		75	-	75	336	15	-	351	-	526	141	-	

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UNDP Trust Fund to Combat Poverty and Hunger in Africa	**1998-1999**	**1,106**	-	**4**	102	**106**	-	-	-	-	-	**1,212**	**35**	-	-
	1996-1997	1,017	-	15	74	89	-	-	-	-	-	1,106	35	-	-
UNDP/Live Aid Foundation Trust Fund	**1998-1999**	**52**	-	**6**	-	**6**	-	-	-	-	**(58)**	-	-	-	
	1996-1997	47		5	-	5	-	-	-	-	-	52	-	-	-
Finland Trust Fund for National Technical Co-operation Assessment and Programme Activities (NATCAP)	**1998-1999**	**697**	-	**77**	-	**77**	**139**	**16**	-	**155**	-	**619**	**477**	-	-
	1996-1997	950		99	-	99	317	35	-	352	-	697	710	(13)	-
CIDA/UNDP Trust Fund for the African Project Development Facility	**1998-1999**	**22**	-	**2**	-	**2**	-	-	-	-	-	**24**	**21**	-	-
	1996-1997	(9)	-	1		1	-	(30)	-	(30)	-	22	21	-	
UNDP Trust Fund for Receipt of Payments by Users of the African Project Development Facility	**1998-1999**	**57**	**3**	**14**	-	**17**	**35**	**4**	-	**39**	-	**35**	**13**	-	-
	1996-1997	180	65	27		92	194	21	-	215	-	57	52	-	-
Trust Fund for Special Netherlands Contribution for the Least Developed Countries	**1998-1999**	**648**	-	**71**	-	**71**	**61**	**4**	-	**65**	-	**656**	**152**	-	-
	1996-1997	680	-	76	-	76	96	12	-	108	-	648	170	-	-
UNDP Trust Fund for Pooling Agreement for Technical Assistance to the Health Sector	**1998-1999**	**2,972**	**2,862**	**255**	-	**3,117**	**4,779**	**143**	-	**4,922**	-	**1,167**	**485**	-	-
	1996-1997	1,999	2,942	191		3,133	2,097	63	-	2,160	-	2,972	3,259	(287)	587
Fonds Fiduciaire du PNUD Concernant l'Organisation pour l'harmonisation en Afrique du Droit des Affaires (OHADA TF)	**1998-1999**	**230**	**9,919**	**570**	-	**10,489**	**3,486**	**1,364**	-	**4,850**	-	**5,869**	**17,056**	**(11,187)**	-
	1996-1997		1,214	(3)		1,211	843	138	-	981	-	230	19,853	(19,623)	-
UNDP Trust Fund to Support Governance in Africa	**1998-1999**	**938**	**(938)**	**11**	**268**	**(659)**	-	-	**140**	**140**	-	**139**	**2,169**	**(2,030)**	**131**
	1996-1997	-	938			938	-	-	-		-	938	-	-	-

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(Thousands of United States dollars)

Name of Trust Fund	Year	Fund balances as at 1 January a/	Income: Trust Funds: Contributions	Income: Trust Funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust Funds: Project Costs	Expenditure: Trust Funds: Other	Expenditure: Sub-trust funds b/	Expenditure: Total	Refunds to donors and transfers to/from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
UNDP/EEC Trust Fund Agreement for the Africa 2000 Network Programme Grants in Burkina Faso, Cameroon and Uganda	1998-1999	315	619	15	-	634	684	41	-	725	-	224	438	(214)	142
	1996-1997	-	315			315	-	-	-	-	-	315	-	-	805
UNDP Trust Fund for the African 2000 Network	1998-1999	755	-	38	-	38	45	6	-	51	-	742	387	-	-
	1996-1997	1,278		109	-	109	554	78	-	632	-	755	602	-	-
UNDP/Sweden Trust Fund on Support of HIV/AIDs Programme in Botswana	1998-1999	-	654	-	-	654	713	21	-	734	-	(80)	-	(80)	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund on Support to the Implementation of Economic Management Capacity Building Programme (Pronage) in Guinea-Bissau	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	705
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund on Support to Returning IDPs in Liberia	1998-1999	-	487	-	-	487	363	40	-	403	-	84	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund for Consolidated Inter-agency Appeal for Burundi	1998-1999	-	474	-	-	474	-	-	-	-	-	474	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden to Support Y2K Planning and Technical Support Project in Zimbabwe	1998-1999	-	112	-	-	112	219	2	-	221	-	(109)	-	(109)	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
United Nations Trust Fund for Operational Programme in Lesotho	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997	510	-	29	-	29	-	-	-	-	(539)	-	-	-	-

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(Thousands of United States dollars)

			Income				Expenditure								
			Trust Funds				Trust Funds								
Name of Trust Fund	**Year**	**Fund balances as at 1 January a/**	**Contributions**	**Other**	**Sub-trust funds**	**Total**	**Project Costs**	**Other**	**Sub-trust funds b/**	**Total**	**Refunds to donors and transfers to/ from other funds-net**	**Fund balance as at 31 December a/**	**Unspent project budget allocations c/**	**Unspent project budget allocations in excess of Fund balances c/**	**Contributions receivables c/**
UNDP Trust Fund for Guinea Bissau	**1998-1999**	-	-	-	1,658	1,658	-	-	-	-	-	1,658	-	-	-
	1996-1997					-	-	-	-	-	-	-	-	-	-
EEC Trust Fund for Support to Africa Governance Forum II	**1998-1999**	-	-	-	-	-	182	18	-	200	-	(200)	(200)	-	-
	1996-1997	-	-	-		-	-	-	-	-	-	-	-	-	-
TOTAL Fund Manager: UNDP Africa	**1998-1999**	95,712	47,929	6,866	32,009	86,804	71,178	4,201	31,007	106,386	(1,452)	74,678	71,751	(19,463)	11,256
	1996-1997	54,706	85,054	4,082	30,613	119,749	53,116	3,679	21,029	77,824	(919)	95,712	90,918	(30,820)	15,583
Fund Manager: UNDP Asia/Pacific															
UNDP Trust Fund for Humanitarian and Rehabilitation Assistance for Cambodia	**1998-1999**	139	-	-	16	16	-	-	-	-	-	155	-	-	-
	1996-1997	134			15	15	-	-	11	11	1	139	15	-	-
UNDP Trust Fund for Capacity Building in De-mining Operations for Cambodia	**1998-1999**	3,562	12,307	416	300	13,023	11,881	634	3	12,518	-	4,067	253	-	-
	1996-1997	1,118	18,939	89	-	19,028	15,499	1,085	-	16,584	-	3,562	336	-	-
Sweden Trust Fund for "Support to De-mining Programmes in Cambodia through the Cambodia Mine Action Centre"	**1998-1999**	4,167	1,299	-	-	1,299	5,004	229	-	5,233	-	233	-	-	-
	1996-1997	1,378	5,349	100		5,449	2,438	121	-	2,559	(101)	4,167	216	-	1,316
Sweden Trust Fund for "Support to Cambodia Resettlement and Reintegration Programme (CARERE)"	**1998-1999**	1,184	7,150	-	-	7,150	7,976	423	-	8,399	-	(65)	-	(65)	-
	1996-1997	1,341	5,813	61	-	5,874	5,467	503	-	5,970	(61)	1,184	1,293	(109)	31
UNDP/Sweden Trust Fund for "Support to Rural Development in Cambodia"	**1998-1999**	2,510	303	-	-	303	2,568	283	-	2,851	-	(38)	-	(38)	-
	1996-1997	-	2,511	20	-	2,531	1	-	-	1	(20)	2,510	2,187	-	-

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(Thousands of United States dollars)

			Income				Expenditure								
			Trust Funds				Trust Funds								
Name of Trust Fund	**Year**	**Fund balances as at 1 January a/**	**Contributions**	**Other**	**Sub-trust funds**	**Total**	**Project Costs**	**Other**	**Sub-trust funds b/**	**Total**	**Refunds to donors and transfers to/ from other funds-net**	**Fund balance as at 31 December a/**	**Unspent project budget allocations c/**	**Unspent project budget allocations in excess of Fund balances c/**	**Contributions receivables c/**
UNDP Trust Fund in Support of the Cambodia Area Rehabilitation and Reintegration	1998-1999	495	4,158	77	-	4,235	2,134	193	-	2,327	-	2,403	2,235	-	-
	1996-1997		2,282			2,282	1,625	162	-	1,787	-	495	397	-	
UNDP Trust Fund for Support to Local and National Elections in Cambodia	1998-1999	-	10,332	-	484	10,816	8,879	1,007	-	9,886	-	930	-	-	-
	1996-1997								-	-	-	-	-	-	-
UNDP/Sweden Trust Fund for Alleviation of Poverty Through ACLEDA's (Association of Cambodian Local Economic Development Agencies) Financial Services	1998-1999	2,105	-	-	-	-	2,044	61	-	2,105	-	-	-	-	-
	1996-1997		2,105			2,105	-	-	-	-	-	2,105	-	-	-
UNDP Fund for Emergency Assistance to the People's Republic of Bangladesh	1998-1999	178	-	20	-	20	(65)	(4)	-	(69)	-	267	-	-	-
	1996-1997	159		19		19	-	-	-	-	-	178	-	-	
UNDP Fund for the Utilization of the Residual Funds of the United Nations Special Relief Office in Bangladesh (UNROB)	1998-1999	746	-	82	-	82	-	-	-	-	-	828	207	-	-
	1996-1997	672		74		74	-	-	-	-	-	746	207	-	
UNDP/Denmark Trust Fund for the "International Training Network Centre for Water Supply and Waste Management in Bangladesh"	1998-1999	450	269	36	-	305	328	34	-	362	-	393	688	(295)	261
	1996-1997	-	645	7	-	652	182	20	-	202	-	450	1,048	(598)	-
UNDP/Sweden Trust Fund for Support to the Science, Technology and Environment Operation in Lao PDR (STENO)	1998-1999	321	110	-	-	110	489	5	-	494	-	(63)	-	(63)	-
	1996-1997	246	75	15		90	-	-	-	-	(15)	321	310	-	

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			Income				Expenditure							
			Trust Funds				Trust Funds							
Name of Trust Fund	Year	Fund balances as at 1 January a/	Contributions	Other	Sub-trust funds	Total	Project Costs	Other	Sub-trust funds b/	Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
UNDP/LAO PDR Trust Fund for Clearance of Unexploded Ordnance (UXO)	1998-1999	4,718	5,684	295	1,296	7,275	7,264	218	335	7,817	-	4,176	2,199	-	1,724
	1996-1997	338	3,932	97	363	4,392	-	-	-	-	(12)	4,718	4,954	(236)	524
UNDP/Sweden Trust Fund for Support to Integrated Crop and Food Production in Afghanistan	1998-1999	803	-	(5)	-	(5)	340	34	-	374	-	424	-	-	-
	1996-1997	706	1,031	46	-	1,077	862	86	-	948	(32)	803	632	-	-
UNDP/Sweden Trust Fund for Support to the Rural Rehabilitation Programme in Afghanistan	1998-1999	7	-	-	-	-	-	-	-	-	-	7	-	-	-
	1996-1997	409	-	15		15	376	41	-	417	-	7	-	-	-
UNDP Afghanistan Emergency Trust Fund	1998-1999	83	64	10	-	74	8	1	-	9	-	148	342	(194)	-
	1996-1997	(96)	-	1	-	1	(160)	(18)	-	(178)	-	83	175	(92)	-
Sweden Trust Fund for the Project "Support to the Comprehensive Disabled Afghans Programme (CDAP)"	1998-1999	444	357	-	-	357	1,216	134	-	1,350	-	(549)	-	(549)	-
	1996-1997	390	781	9	-	790	651	76	-	727	(9)	444	31	-	362
UNDP/Sweden Trust Fund for Support to Food Security through Sustainable Crop Production (FAO) in Afghanistan	1998-1999	-	809	-	-	809	-	-	-	-	-	809	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund in Support to the P.E.A.C.E Programme in Afghanistan	1998-1999	-	192	-	-	192	-	-	-	-	-	192	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CIDA/UNDP Trust Fund for the Pakistan National Household Survey Capability Programme	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997	69		4	-	4	-	(2)	-	(2)	(75)	-	-	-	-

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UNDP Trust Fund for the Republic of Maldives	1998-1999	29	-	4	-	4	-	-	-	-	-	33	3	-	-
	1996-1997	27	-	2	-	2	-	-	-	-	-	29	3	-	-
UNDP/NOVIB/Group of Resource Persons for Awareness Creation for Environment and Sustainable Development in Asia	1998-1999	62	-	4	-	4	75	8	-	83	-	(17)	-	(17)	27
	1996-1997	56	-	6	-	6	-	-	-	-	-	62	82	(20)	27
Trust Fund for Environmental Conservation in Bhutan	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997	11,693	4,060	513	-	4,573	114	20	-	134	(16,132)	-	-	-	-
Sweden Trust Fund for "Strengthening Financial Policies and Institutions in Vietnam"	1998-1999	209	120	-	-	120	247	26	-	273	-	56	-	-	-
	1996-1997	-	471	12	-	483	236	28	-	264	(10)	209	310	(101)	125
Australian Development Assistance Bureau (ADAB)/UNDP Programme Trust Fund	1998-1999	767	-	31	-	31	-	-	-	-	-	798	34	-	-
	1996-1997	734	-	72	-	72	39	-	-	39	-	767	102	-	-
UNDP/Australia Trust Fund for Fiscal and Monetary Management Reform and Statistical Improvement, Phase II	1998-1999	111	226	24	-	250	282	31	-	313	-	48	-	-	-
	1996-1997	-	529	8	-	537	402	24	-	426	-	111	308	(197)	215
UNDP Trust Fund for Support to Forest Crime Monitoring and Reporting in Cambodia	1998-1999	-	328	-	-	328	-	-	-	-	-	328	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Republic of Korea Trust Fund in Support of the Tumen River Area Development Programme	1998-1999	1,053	-	112	-	112	347	27	-	374	-	791	141	-	-
	1996-1997	-	1,000	53	-	1,053	-	-	-	-	-	1,053	-	-	-

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			Trust Funds				Trust Funds								
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UNDP/Democratic People's Republic of Korea Trust Fund for Agricultural Relief and Rehabilitation Programme	1998-1999	220	1,415	16	-	1,431	1,285	131	-	1,416	-	235	2	-	-
	1996-1997		415	1		416	178	18	-	196	-	220	17	-	-
UNDP/EEC Trust Fund Agreement for Multi-Donor Partner Support to the Mekong River Commission for Key Officers Posts and Capacity Building	1998-1999	319	70	25	-	95	83	2	-	85	-	329	237	-	120
	1996-1997	-	319			319		-	-	-	-	319			140
UNDP/Republic of Korea Trust Fund	1998-1999	250	60	23	-	83	-	-	-	-	-	333	-	-	-
	1996-1997		250			250	-	-	-	-	-	250	-	-	
UNDP/Sweden Trust Fund on Support to the National Poverty Alleviation Programme in Mongolia	1998-1999	-	1,987	-	-	1,987	1,780	53	-	1,833	-	154	-	-	-
	1996-1997				-	-	-	-	-	-	-				-
UNDP/Sweden Trust Fund on Support to Capacity Development for Socio Economic Surveys and Planning	1998-1999	1,022	-	-	-	-	1,269	134	-	1,403	-	(381)	-	(381)	-
	1996-1997		1,022			1,022	-	-		-	-	1,022		-	
UNDP/Sweden Trust Fund for the Project Rural Access Planning and Infrastructure for Basic Needs	1998-1999	80	128	-	-	128	317	10	-	327	-	(119)	-	(119)	139
	1996-1997		80			80	-	-	-	-	-	80	268	(188)	211
UNDP Trust Fund for the Indonesian Community Recovery Programme	1998-1999	-	4,362	20	-	4,382	2,745	-	-	2,745	-	1,637	12,793	(11,156)	-
	1996-1997		-				-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund on Support to Community Recovery Programme in Indonesia	1998-1999	-	959	-	-	959	351	-	-	351	-	608	919	(311)	-
	1996-1997			-			-			-	-	-	-	-	-

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UNDP/Sweden Trust Fund for Support to the Expanded Programme of Assistance to the Delivery of Basic Social Services and Capacity Building for MNLF Soldiers and	1998-1999	-	198	-	-	198	-	-	-	-	-	198	-	-	-
	1996-1997		-			-	-	-	-	-	-	-	-	-	
Belgium/Philippines Trust Fund for Vocational Skills Training and Enterprise Development for MNLF Soldiers, their Families and Communities	1998-1999	-	800	2	-	802	-	-	-	-	-	802	-	-	-
	1996-1997	-		-	-	-	-	-	-	-	-	-	-	-	-
Belgium/Philippines Trust Fund for the Human Resource Development for Governance and Livelihood for the Southern Phillipines Council for Peace and Development (SPCD)	1998-1999	-	276	11	-	287	114	3	-	117	-	170	-	-	-
	1996-1997		-		-	-	-	-	-	-	-	-	-	-	-
Sweden Trust Fund on Support to Afghanistan 1999 Appeal	1998-1999	-	1,037	-	-	1,037	-	-	-	-	-	1,037	-	-	-
	1996-1997		-			-	-	-	-	-	-	-	-	-	
Sweden Trust Fund for UN Inter Agency Appeal for Emergency Relief and Initial Rehabilitation in China	1998-1999	-	2,051	-	-	2,051	2,045	20	-	2,065	-	(14)	-	(14)	-
	1996-1997	-	-		-	-	-	-	-	-	-	-	-	-	-
CIDA/UNDP Trust Fund for the Bangladesh National Household Survey Capability Programme	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997	79	-	8		8	3	-	-	3	(84)	-	-	-	-
Sweden Trust Fund for Jaffna Health Assistance in Sri Lanka	1998-1999	-	469	-	-	469	-	-	-	-	-	469	-	-	-
	1996-1997			-		-	-	-	-	-	-	-	-	-	-

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TOTAL Fund Manager: UNDP Asia/Pacific	1998-1999	26,034	57,520	1,203	2,096	60,819	61,006	3,697	338	65,041	-	21,812	20,053	(13,202)	2,271
	1996-1997	19,453	51,609	1,232	378	53,219	27,913	2,164	11	30,088	(16,550)	26,034	12,891	(1,541)	2,971
Fund Manager: UNDP Europe and CIS															
Nicosia Master Plan: Implementation Phase	1998-1999	3	-	-	-	-	-	-	-	-	-	3	-	-	-
	1996-1997	3	-	-	-	-	-	-	-	-	-	3	-	-	-
UNDP Trust Fund for the Baltic Republics	1998-1999	870	684	95	-	779	677	7	-	684	-	965	-	-	-
	1996-1997	1,814	107	154	-	261	1,191	14	-	1,205	-	870	257	-	-
Trust Fund on the "UN Consolidated Inter-Agency Appeal for Tajikistan"	1998-1999	67	-	-	-	-	63	7	-	70	-	(3)	-	(3)	-
	1996-1997	283	-	11	-	31	191	21	-	212	(35)	67	54	-	-
UNDP Trust Fund for Peace and Development in Tajikistan	1998-1999	-	599	25	-	624	450	58	-	508	-	116	6	-	-
	1996-1997	-			-	-	-	-	-	-	-	-	-	-	-
UNDP/Switzerland Trust Fund for Aid Management and Aid Co-ordination in Kyrgyzstan	1998-1999	122	-	25	-	25	24	3	-	27	-	120	34	-	-
	1996-1997	593	70	54	-	124	261	34	-	295	(300)	122	54	-	-
Trust Fund in Support of the Strengthening of the Ministry of Foreign Affairs in Kyrgyzstan	1998-1999	30	80	5	-	85	31	4	-	35	-	80	55	-	-
	1996-1997	285	-	15		15	245	25	-	270	-	30	89	(59)	80
UNDP Trust Fund for Urgent Human Needs in Uzbekistan	1998-1999	103	-	14	-	14	9	-	-	9	-	108	3	-	-
	1996-1997	360	109	39	-	148	393	12	-	405	-	103	373	(270)	-
UNDP/Physicians for Human Rights (NGO) Trust Fund for "Humanitarian Assistance Activities in the Former Yugoslavia"	1998-1999	156	-	27	-	27	-	-	-	-	-	183	858	(675)	-
	1996-1997	-	1,000	23		1,023	854	13	-	867	-	156	132	-	-

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Schedule 5: Trust Funds Established by UNDP

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(Thousands of United States dollars)

Name of Trust Fund	Year	Fund balances as at 1 January a/	Income: Trust Funds: Contributions	Income: Trust Funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust Funds: Project Costs	Expenditure: Trust Funds: Other	Expenditure: Sub-trust funds b/	Expenditure: Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
Trust Fund in Support of National Capacity Building in External Aid Resources Management	1998-1999	204	113	23	-	136	162	15	-	177	-	163	114	-	-
	1996-1997	791	450	31	-	481	954	114	-	1,068	-	204	289	(85)	113
Trust Fund for the Aral Sea Basin Programme	1998-1999	143	105	8	-	113	257	29	-	286	-	(30)	-	(30)	97
	1996-1997	732	270	52		322	816	95	-	911	-	143	278	(135)	202
Europe to Beijing: Gender in Development Trust Fund	1998-1999	1	-	-	-	-	-	-	-	-	-	1	3	(2)	-
	1996-1997	153	40	3	-	43	173	22	-	195	-	1	3	(2)	-
UNDP Sakha Republic (Yakutia) Trust Fund for the Programme of Assistance to the Northern Indigenous Peoples of the Sakha Republic	1998-1999	227	-	25	-	25	135	7	-	142	-	110	63	-	-
	1996-1997	-	225	3		228	1	-	-	1	-	227	-	-	-
UNDP/EEC Trust Fund Agreement for the Project Support to Refugees and Displaced Persons in Bosnia	1998-1999	465	2,528	-	-	2,528	3,098	(35)	-	3,063	-	(90)	(97)	-	-
	1996-1997	-	1,664			1,664	1,184	35	-	1,219	-	445	4,606	(4,161)	2,565
UNDP Trust Fund for Mine Clearance in Bosnia and Herzegovina	1998-1999	-	-	-	8,462	8,462	249	-	9,766	10,015	-	(1,553)	(1,084)	(469)	-
	1996-1997	-				-	-	-	-	-	-	-	-	-	-
UNDP/EEC Trust Fund for Support to Village Employment Creation in Bosnia and Herzegovina	1998-1999	458	611	22	-	633	1,077	-	-	1,077	-	14	(29)	-	604
	1996-1997		483	(10)		473	15	-	-	15	-	458	1,109	(651)	643
UNDP/EEC Trust Fund for Village Employment and Environment Project in Bosnia and Herzegovina	1998-1999	2,745	3,038	-	-	3,038	6,601	-	-	6,601	-	(818)	240	(1,058)	599
	1996-1997	-	2,892	(57)		2,835	90	-	-	90	-	2,745	6,660	(3,915)	3,856

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(Thousands of United States dollars)

Name of Trust Fund	Year	Fund balances as at 1 January a/	Income: Trust Funds: Contributions	Income: Trust Funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust Funds: Project Costs	Expenditure: Trust Funds: Other	Expenditure: Sub-trust funds b/	Expenditure: Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
UNDP/EEC Trust Fund for the Project "Promotion of Social Integration in Latvia: Language Training Programme"	1998-1999	216	682	7	-	689	1,013	-	-	1,013	-	(108)	130	(238)	201
	1996-1997	-	223	(7)	-	216	-	-	-	-	-	216	150	-	337
UNDP/Sweden Trust Fund for Capacity Development of the Latvian National Human Rights Office	1998-1999	4	215	-	-	215	197	10	-	207	-	12	-	-	-
	1996-1997	-	133	-	-	133	129	-	-	129	-	4	230	(226)	228
UNDP/Belgium Trust Fund for Rehabilitation and Sustainable Development of Eastern Slavonia	1998-1999	-	872	-	-	872	769	77	-	846	-	26	25	-	799
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/EEC Trust Fund for Village Employment and Environment Programme - Phase III	1998-1999	-	4,763	-	-	4,763	5,908	-	-	5,908	-	(1,145)	(194)	(951)	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/EEC Trust Fund for Support to Refugees and Displaced Persons in Central Bosnia Canton	1998-1999	-	2,773	-	-	2,773	5,831	-	-	5,831	-	(3,058)	34	(3,092)	3,242
	1996-1997			-	-		-	-	-	-	-	-	-	-	-
Sweden/Moldova Trust Fund for the project "Women, Society and Politics"	1998-1999	-	66	-	-	66	19	-	-	19	-	47	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trust Fund in Support of Estonia's State Programme for Integration of Non-Estonians into Estonian Society	1998-1999	-	683	1	-	684	341	16	-	357	-	327	-	-	-
	1996-1997	-	-	-	-			-	-	-	-	-	-	-	-
Sweden Trust Fund for Governance Strengthening and Public Administration Reform	1998-1999	-	369	-	-	369	93	10	-	103	-	266	-	-	-
	1996-1997	-	-				-	-	-	-		-	-	-	-

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(Thousands of United States dollars)

Name of Trust Fund	Year	Fund balances as at 1 January a/	Income: Trust Funds: Contributions	Income: Trust Funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust Funds: Project Costs	Expenditure: Trust Funds: Other	Expenditure: Sub-trust funds b/	Expenditure: Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
Sweden Trust Fund for Support to Public Defenders in Georgia	1998-1999	-	305	-	-	305	208	6	-	214	-	91	-	-	59
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
European Commission Village Employment and Rehabilitation Programme (VERP)	1998-1999	-	2,343	-	-	2,343	1,828	-	-	1,828	-	515	2,992	(2,477)	2,276
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP Trust Fund for the Kosovo Crisis	1998-1999	-	1,000	-	-	1,000	596	50	-	646	-	354	354	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund to Support the Rehabilitation and Sustainable Development of War-torn Areas in Croatia	1998-1999	36	-	-	-	-	26	3	-	29	-	7	-	-	-
	1996-1997	-	182	-	-	182	133	13	-	146	-	36	67	(31)	-
EEC/Estonian Trust Fund to Support the Implementation of the Estonian Language Training Programme	1998-1999	-	1,093	-	-	1,093	308	-	-	308	-	785	744	-	423
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sweden Trust Fund on Support to the Project "Women in Local Politics in Kyzyl Orda and Semipalantinsk" under the "Gender in Development Bureau"	1998-1999	-	-	-	-	-	10	-	-	10	-	(10)	34	(44)	44
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Norway Trust Fund for Municipal Employment Assistance Programme in Macedonia	1998-1999	-	637	-	-	637	116	-	-	116	-	521	520	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Norway Trust Fund for Rehabilitation and Sustainable Development in War-torn Areas Infrastructure in Croatia	1998-1999	-	127	-	-	127	-	-	-	-	-	127	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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(Thousands of United States dollars)

Name of Trust Fund	Year	Fund balances as at 1 January a/	Income: Trust Funds: Contributions	Income: Trust Funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust Funds: Project Costs	Expenditure: Trust Funds: Other	Expenditure: Sub-trust funds b/	Expenditure: Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
UNDP Trust Fund for Support to the Baltic Countries	1998-1999	-	278	-	-	278	-	-	-	-	-	278	-	-	-
	1996-1997						-	-	-	-	-	-	-	-	-
EU Support to Employment Creation in Targeted Areas through UNDP VEEP Scheme	1998-1999	-	417	-	-	417	1,029	-	-	1,029	-	(612)	15	(627)	-
	1996-1997		-		-	-	-	-	-	-	-	-	-	-	-
EEC Trust Fund for the Return of Displaced Persons to the War-torn Areas of Croatia	1998-1999	-	1,362	-	-	1,362	1,175	-	-	1,175	-	187	349	(162)	-
	1996-1997		-		-	-	-	-	-	-	-	-	-	-	-
TOTAL Fund Manager: UNDP Europe and CIS	1998-1999	5,830	25,743	277	8,462	34,482	32,300	267	9,766	42,333	-	(2,021)	5,169	(9,820)	8,344
	1996-1997	5,014	7,848	331	-	8,179	6,630	398	-	7,028	(335)	5,830	14,331	(9,515)	8,024
Fund Manager: UNDP Latin America and Caribbean															
CIDA/UNDP Trust Fund for Receipt of Payment by Users of the Caribbean Project Development Facility	1998-1999	33	-	4	-	4	-	-	-	-	-	37	82	(45)	-
	1996-1997	10		3	-	3	-	-	-	-	-	33	82	(49)	-
UNDP Trust Fund for Assistance to the Technical Co-operation Fund between Pe . and Argentina to Administer Food Aid	1998-1999	235	-	23	-	23	83	3	-	86	-	172	11	-	-
	1996-1997	210		25		25	-	-	-	-	-	235	-	-	-
UNDP/Norway Trust Fund for the Special Plan of Economic Co-operation for Central America	1998-1999	20	-	1	-	1	17	2	-	19	-	2	7	(5)	-
	1996-1997	18		2	-	2		-	-	-	-	20	26	(6)	-
UNDP Trust Fund for the Regional Project "Cultural Heritage and Development"	1998-1999	49	-	6	-	6	-	-	-	-	-	55	30	-	-
	1996-1997	44		5		5						49	30	-	

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(Thousands of United States dollars)

			Income				**Expenditure**								
			Trust Funds				**Trust Funds**								
Name of Trust Fund	**Year**	**Fund balances as at 1 January a/**	**Contributions**	**Other**	**Sub-trust funds**	**Total**	**Project Costs**	**Other**	**Sub-trust funds b/**	**Total**	**Refunds to donors and transfers to/ from other funds-net**	**Fund balance as at 31 December a/**	**Unspent project budget allocations c/**	**Unspent project budget allocations in excess of Fund balances c/**	**Contributions receivables c/**
UNDP/JAIDO Trust Fund for Sea Island Cotton Pilot Production	**1998-1999**	**27**	-	**4**	-	**4**	**11**	-	-	**11**	-	**20**	**7**	-	-
	1996-1997	98		11		11	81	1	-	82	-	27	18	-	-
Trust Fund for the FMLN Relocation Points in El Salvador	**1998-1999**	**113**	-	**10**	-	**10**	**70**	**9**	-	**79**	-	**44**	**42**	-	-
	1996-1997	116		13		13	6	3	-	9	(7)	113	122	(9)	-
Trust Fund in Support of Peace Building Activities in El Salvador	**1998-1999**	**1,449**	**3,022**	**114**	-	**3,136**	**3,371**	**114**	-	**3,485**	-	**1,100**	**639**	-	**47**
	1996-1997	3,826	491	424		915	2,064	75	-	2,139	(1,153)	1,449	1,097	-	441
Support to the Joint Group in El Salvador	**1998-1999**	**62**	**121**	**4**	-	**125**	**179**	**5**	-	**184**	-	**3**	-	-	-
	1996-1997	63		8		8	9	-	-	9	-	62	7	-	
UNDP/Japan Trust Fund in Support of Reintegration Activities in Haiti	**1998-1999**	**1,363**	-	**131**	-	**131**	**1,057**	**116**	-	**1,173**	-	**321**	**46**	-	-
	1996-1997	2,600	-	266	-	266	1,354	149	-	1,503	-	1,363	1,208	-	-
UNDP/Sweden Trust Fund on Support to Improved Handling of Property Issues in Nicaragua	**1998-1999**	**121**	-	-	-	-	-	-	-	-	-	**121**	-	-	-
	1996-1997	383	599	39		638	852	9	-	861	(39)	121	79	-	-
UNDP/Spain Trust Fund for Support to the Governance in Central America	**1998-1999**	**5,302**	**1,952**	**571**	-	**2,523**	**5,391**	**322**	-	**5,713**	-	**2,112**	**1,538**	-	-
	1996-1997	11,000	(586)	1,175		589	5,535	752	-	6,287	-	5,302	4,944	-	-
UNDP/European Economic Commission (EEC)Trust Fund for "FEU Technical Assistance Project"	**1998-1999**	**(15)**	-	-	-	-	-	-	-	-	-	**(15)**	-	**(15)**	**29**
	1996-1997		245			245	252	8	-	260	-	(15)	46	(61)	32
UNDP Trust Fund for the Implementation of the Agreement on the Resettlement of Populations Uprooted by Armed Conflict in Guatemala	**1998-1999**	**3,716**	**2,527**	**247**	-	**2,774**	**2,085**	**73**	-	**2,158**	-	**4,332**	**1,451**	-	**5**
	1996-1997		4,836			4,836	1,082	38	-	1,120		3,716	1,498		235

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(Thousands of United States dollars)

			Income				Expenditure								
			Trust Funds				Trust Funds								
Name of Trust Fund	Year	Fund balances as at 1 January a/	Contributions	Other	Sub-trust funds	Total	Project Costs	Other	Sub-trust funds b/	Total	Refunds to donors and transfers to/from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
UNDP Trust Fund for Electoral Assistance to Haiti	1998-1999	78	629	29	-	658	139	15	-	154	-	582	-	-	-
	1996-1997	-	1,640			1,640	1,407	155	-	1,562	-	78	77	-	-
UNDP Trust Fund for Assistance to the Haitian National Police	1998-1999	598	1,539	34	-	1,573	1,529	152	-	1,681	-	490	362	-	-
	1996-1997	-	613		-	613	13	2	-	15	-	598	610	(12)	-
UNDP/Sweden Trust Fund in support of the project "Gobernabilidad democratica-Honduras"	1998-1999	-	295	-	-	295	328	-	-	328	-	(33)	-	(33)	-
	1996-1997			-		-			-	-	-	-	-	-	
UNDP/EEC Trust Fund for the Project "Reserva de la Biosfera - Banados el Este, Uruguay	1998-1999	-	453	8	-	461	221	-	-	221	-	240	698	(458)	452
	1996-1997	-				-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund on Support to Emergency Relief Assistance to Choluteca, Honduras	1998-1999	-	1,204	-	-	1,204	-	-	-	-	-	1,204	1,163	-	-
	1996-1997	-		-		-	-	-	-	-	-	-	-	-	-
UNDP/Sweden Trust Fund on Support to the Consolidated Appeal for Cuba	1998-1999	-	479	-	-	479	-	-	-	-	-	479	-	-	-
	1996-1997					-	-			-	-	-	-	-	-
CIDA/UNDP Trust Fund for the Caribbean Project Development Facility	1998-1999	-	-	-	-	-	-	-	-	-	-	-	68	(68)	-
	1996-1997						-	-	-			-	21	(21)	-
TOTAL Fund Manager: UNDP Latin America and Caribbean	1998-1999	13,151	12,221	1,186	-	13,407	14,481	811	-	15,292	-	11,266	6,144	(626)	533
	1996-1997	18,388	7,838	1,971		9,809	12,655	1,192	-	13,847	(1,199)	13,151	9,865	(158)	708

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Fund Manager: BOM															
UNDP Trust Fund for the Evaluation of UNIFEM	1998-1999	12	-	2		2	-	-	-	-	-	14	7	-	-
	1996-1997	192	97	3		100	252	28		280		12	7	-	
Swedish Trust Fund on "Efficiency and Effectiveness Enhancing Measures Within UNDP"	1998-1999	3,578	1,346	140		1,486	2,742	20	-	2,762	-	2,302	-	-	-
	1996-1997	3,427	4,730	85		4,815	4,222	358		4,580	(84)	3,578	1,647		
UNDP 2001 Trust Fund	1998-1999	-	33	-	446	479	-	-	-	-	-	479	-	-	-
	1996-1997														
TOTAL Fund Manager: BOM	1998-1999	3,590	1,379	142	446	1,967	2,742	20	-	2,762	-	2,795	7	-	-
	1996-1997	3,619	4,827	88		4,915	4,474	386		4,860	(84)	3,590	1,654		
Fund Manager: BOM/DRPC															
UNDP Trust Fund for the Developing Countries Afflicted by Famine and Malnutrition	1998-1999	866	-	(180)	-	(180)	85	-	-	85	-	601	2,624	(2,023)	-
	1996-1997	1,291		109		109	534			534	-	866	2,644	(1,778)	
TOTAL Fund Manager: BOM/DRPC	1998-1999	866	-	(180)		(180)	85	-	-	85	-	601	2,624	(2,023)	-
	1996-1997	1,291		109		109	534			534	-	866	2,644	(1,778)	
Fund Manager: HDRO															
Sweden Trust Fund for Making the Human Development Report and the Human Development Index Gender Sensitive	1998-1999	103	-	-	-	-	-	-	-	-	-	103	-	-	-
	1996-1997	702		48		48	522	61		583	(64)	103	25		
German Edition of the Human Development Report (1993/1994)	1998-1999	-	-	-		-	-		-	-	-	-	-	-	-
	1996-1997	(5)		1		1	(4)			(4)		-	-		

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			Trust Funds				Trust Funds								
Name of Trust Fund	Year	Fund balances as at 1 January a/	Contributions	Other	Sub-trust funds	Total	Project Costs	Other	Sub-trust funds b/	Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
TOTAL Fund Manager: NDRO	1998-1999	103	-	-	-	-	-	-	-	-	-	103	-	-	-
	1996-1997	697	-	49	-	49	518	61	-	579	(64)	103	25	-	-
Fund Manager: OSG/ERD															
Disaster Management Training Programme	1998-1999	38	-	-	-	-	-	-	-	-	(38)	-	-	-	-
	1996-1997	34		4	-	4	-	-	-	-	-	38	-	-	-
UNDP Trust Fund for Sustainable Social Development, Peace and Support to Countries in Special Situations	1998-1999	22,436	9,509	2,676	134	12,319	18,286	358	488	19,132	2,837	18,460	340	-	-
	1996-1997	-	556	61	24,752	25,369	-	-	2,933	2,933	-	22,436	3,255	-	-
UNDP/UN-OCHA Trust Fund for Technical Assistance Activities	1998-1999	-	2,109	39	-	2,148	62	-	-	62	-	2,086	123	-	-
	1996-1997	-	-		-	-	-	-	-	-	-	-	-	-	-
UNDP Trust Fund for Community Assistance and Sustainable Reinstallation in Burundi	1998-1999	-	2,472	-	-	2,472	-	-	-	-	-	2,472	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNDP Trust Fund for Support to Prevention and Reduction of the Proliferation of Small Arms	1998-1999	-	1,444	-	-	1,444	-	-	-	-	-	1,444	-	-	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL Fund Manager: OSG/ERD	1998-1999	22,474	15,534	2,715	134	18,383	18,348	358	488	19,194	2,799	24,462	463	-	-
	1996-1997	34	556	65	24,752	25,373		-	2,933	2,933	-	22,474	3,255	-	-

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Name of Trust Fund	Year	Fund balances as at 1 January a/	Income: Trust Funds: Contributions	Income: Trust Funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust Funds: Project Costs	Expenditure: Trust Funds: Other	Expenditure: Sub-trust funds b/	Expenditure: Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
Fund Manager: OA/OSG															
UNDP Trust Fund for International Partnership	1998-1999	-	-	-	5,831	5,831	-	-	2,514	2,514	-	3,317	9,350	(6,033)	-
	1996-1997	-			-		-	-	-	-	-	-	-	-	-
TOTAL Fund Manager: OA/OSG	1998-1999	-	-	-	5,831	5,831	-	-	2,514	2,514	-	3,317	9,350	(6,033)	-
	1996-1997	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Manager: OA/PAPP															
UNDP Fund for the Programme of Assistance to the Palestinian People	1998-1999	39,333	62,524	4,769	6,401	73,694	59,363	4,611	7,434	71,408	(5,097)	36,522	33,949	-	1,000
	1996-1997	30,729	72,015	3,207	11,209	86,431	64,745	4,708	8,365	77,818	(9)	39,333	37,794	-	5,218
TOTAL Fund Manager: OA/PAPP	1998-1999	39,333	62,524	4,769	6,401	73,694	59,363	4,611	7,434	71,408	(5,097)	36,522	33,949	-	1,000
	1996-1997	30,729	72,015	3,207	11,209	86,431	64,745	4,708	8,365	77,818	(9)	39,333	37,794	-	5,218
Fund Manager: SU/TCDC															
Perez-Guerrero Trust Fund for Economic and Technical Co-operation among Developing Countries	1998-1999	6,576	16	1,069	-	1,085	818	6	-	824	-	6,837	487	-	-
	1996-1997	6,153		911		911	406	2	-	408	-	6,576	755	-	-
UNDP/DEVNET Trust Fund for Technological Information Pilot System (TIPS)	1998-1999	150	321	13	-	334	293	26	-	319	-	165	129	-	-
	1996-1997	39	518	7		525	373	41	-	414	-	150	123	-	-
UNDP Trust Fund for the Promotion of South-South Cooperation	1998-1999	200	236	18	-	254	19	2	-	21	-	433	53	-	-
	1996-1997		200			200	-	-	-	-	-	200	-	-	-
TOTAL Fund Manager: SU/TCDC	1998-1999	6,926	573	1,100	-	1,673	1,130	34	-	1,164	-	7,435	669	-	-
	1996-1997	6,192	718	918	-	1,636	859	43	-	902		6,926	878	-	

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Schedule 5: Trust Funds Established by UNDP
Schedule of Income, Expenditure and Fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

			Income				Expenditure								
			Trust Funds				Trust Funds								
Name of Trust Fund	Year	Fund balances as at 1 January a/	Contributions	Other	Sub-trust funds	Total	Project Costs	Other	Sub-trust funds b/	Total	Refunds to donors and transfers to/from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
Fund Manager: IMPACT/BDP															
Trust Fund Agreement Between UNDP/IMPACT and the Malaysian Organizing Committee of Sportsaid '88	1998-1999	145	-	-	-	-	-	-	-	-	(145)	-	-	-	-
	1996-1997	514	-	59	-	59	30	-	-	30	(398)	145	-	-	-
TOTAL Fund Manager: IMPACT/BDP	1998-1999	145	-	-	-	-	-	-	-	-	(145)	-	-	-	-
	1996-1997	514	-	59	-	59	30	-	-	30	(398)	145	-	-	-
Fund Manager: BOM/UNOPS															
UNDP Trust Fund for Action on Development Issues	1998-1999	731	657	33	-	690	1,190	46	-	1,236	-	185	-	-	-
	1996-1997	182	1,600	11		1,611	1,005	57	-	1,062	-	731	676	-	-
TOTAL Fund Manager: BOM/UNOPS	1998-1999	731	657	33	-	690	1,190	46	-	1,236	-	185	-	-	-
	1996-1997	182	1,600	11		1,611	1,005	57	-	1,062	-	731	676	-	-
Fund Manager: UNDP Arab States															
UNDP/Sweden Trust Fund for the Project "Local Administrative Structures in Somalia"	1998-1999	654	-	-	-	-	612	49	-	661	-	(7)	-	(7)	-
	1996-1997		666	6		672	11	1	-	12	(6)	654	654	-	-
UNDP Trust Fund for Somalia	1998-1999	-	1,546	59	118	1,723	14	1	-	15	-	1,708	128	-	-
	1996-1997							-	-	-	-	-	-	-	
EEC/Syria Trust Fund for the Project "Population and Housing Census in Syria"	1998-1999	-	241	3	-	244	-	-	-	-	-	244	-	-	206
	1996-1997	-							-	-	-	-	-	-	-
Trust Fund for Poverty Alleviation in the Arab Region	1998-1999	-	556	2	-	558	-	-	-	-	-	558	-	-	-
	1996-1997													-	

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Schedule 5: Trust Funds Established by UNDP

Schedule of Income, Expenditure and Fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Trust Fund	Year	Fund balances as at 1 January a/	Income: Trust Funds: Contributions	Income: Trust Funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust Funds: Project Costs	Expenditure: Trust Funds: Other	Expenditure: Sub-trust funds b/	Expenditure: Total	Refunds to donors and transfers to/from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
UNDP/Sweden Trust Fund on Support to the War-Torn Societies Project in Somalia	1998-1999	-	190	-	-	190	112	12	-	124	-	66	49	-	-
	1996-1997	-		-			-	-	-	-	-	-	-	-	-
UNDP Trust Fund for the Iraq Programme	1998-1999	-	83,126	27	-	83,153	83,463	1,712	-	85,175	-	(2,022)	29,298	(31,320)	-
	1996-1997	-				-		-	-	-	-	-	-	-	-
Sweden Trust Fund on Support to UN Consolidated Inter-Agency Appeal for Somalia	1998-1999	-	122	-	-	122	-	-	-	-	-	122	-	-	-
	1996-1997	-			-	-	-	-	-	-	-	-	-	-	-
TOTAL Fund Manager: UNDP Arab States	1998-1999	654	85,781	91	118	85,990	84,201	1,774	-	85,975	-	669	29,475	(31,327)	206
	1996-1997	-	666	6	-	672	11	1	-	12	(6)	654	654	-	-
Fund Manager: UNDP Geneva															
UNDP Trust Fund for Advocacy	1998-1999	46	10	4	-	14	-	-	-	-	-	60	-	-	-
	1996-1997	-	46	-		46	-	-	-	-	-	46	-	-	-
TOTAL Fund Manager: UNDP Geneva	1998-1999	46	10	4	-	14	-	-	-	-	-	60	-	-	-
	1996-1997	-	46	-	-	46		-	-	-	-	46	-	-	-
Fund Manager: Office of Evaluation															
UNDP Trust Fund for Capacity Development Assessment	1998-1999	8,542	-	-	952	952	-	-	1,421	1,421	-	8,073	-	-	-
	1996-1997	-	-	-	8,542	8,542	-	-	-	-	-	8,542	-	-	-
TOTAL Fund Manager: Office of Evaluation	1998-1999	8,542	-	-	952	952	-	-	1,421	1,421	-	8,073	-	-	-
	1996-1997	-			8,542	8,542	-	-		-		8,542		-	

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Schedule 5: Trust Funds Established by UNDP

Schedule of Income, Expenditure and Fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

			Income				Expenditure								
			Trust Funds				Trust Funds								
Name of Trust Fund	Year	Fund balances as at 1 January a/	Contributions	Other	Sub-trust funds	Total	Project Costs	Other	Sub-trust funds b/	Total	Refunds to donors and transfers to/ from other funds-net	Fund balance as at 31 December a/	Unspent project budget allocations c/	Unspent project budget allocations in excess of Fund balances c/	Contributions receivables c/
Fund Manager: UN/OPPBF															
UNDP Trust Fund for the Nationhood Programme of the Fund for Namibia	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997	128	-	6	-	6	-	-	-	-	(134)	-	-	-	-
TOTAL Fund Manager: UN/OPPBF	1998-1999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	1996-1997	128	-	6	-	6	-	-	-	-	(134)	-	-	-	-
GRAND TOTAL	1998-1999	443,796	547,622	45,787	60,504	653,913	584,645	56,138	59,900	700,683	(5,443)	391,583	586,721	(360,075)	28,673
	1996-1997	334,177	460,332	42,732	83,238	586,302	371,590	46,990	37,063	455,643	(21,040)	443,796	432,228	(161,357)	41,796
				d/		statement 1.2		d/		statement 1.2		statement 1.2			

The accompanying notes are an integral part of the financial statements

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
Fund Manager: BDP												
1. **Trust Fund to Combat Desertification and Drought (UNSO)**												
Donor: Norway												
Norway Programme Support to Affected Countries in the context of the Urgent Action for Africa under CCD	2,283	787	192	979	1,571	16	1,587	-	1,675	1,284	-	-
Donor: Denmark												
Programme of Support to the Implementation under the Convention to Combat Desertification in Southern Africa	1,919		170	170	1,266	12	1,278	-	811	673	-	-
Donor: Sweden												
Land-Use Management and Agro-Forestry Development in Dosso Niger	-	4	-	4	4	-	4	-	-	-	-	-
Donor: Sweden												
National Seed Procurement and Tree Improvement Project, Ethiopia	81	-	8	8	14	1	15	-	74	20	-	-
Sub-Total	4,283	791	370	1,161	2,855	29	2,884	-	2,560	1,977	-	-
				Schedule 5			Schedule 5		Schedule 5.2			

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
2. Trust Fund for the Global Environmental Facility (GEF)												
Donor: Australia												
South Pacific Biodiversity Conservation Programme	1,826	-	191	191	1,792	-	1,792	-	225	-	-	-
Donor: Charles Stewart Mott Foundation												
Strengthening and Promoting Environmental Funds	76	277	12	289	45	4	49	-	316	-	-	-
Donor: The Summit Foundation												
Strengthening and Promoting Environmental Funds	-	-	-	-	-	-	-	-	-	-	-	58
Donor: Denmark												
Municipal and Industrial Waste Project in Tanzania	1,553	1	172	173	-	-	-	-	1,726	-	-	-
Donor: McArthur Foundation												
Small Grants Programme	-	-	-	-	300	18	318	-	(318)	-	-	-
Sub-Total	3,455	278	375	653	2,137	22	2,159	-	1,969	-	-	58
				Schedule 5			Schedule 5		Schedule 5.2			
3. Multilateral Fund for the Implementation of the Montreal Protocol												
Donor: Denmark and U.S. Environmental Protection Agency												
Establishment of a CFC Recycling Centre at Zheijang Dongyang Chemical Factory	199	-	18	18	121	1	122	-	95	62	-	-
Donor: USA												
Global/Inter-regional Demonstration Project in Recovery Recycling of ODS in Mobile Air conditioning	30	413	8	421	239	19	258	-	193	124	-	-

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

		Income			Expenditure							
Name of Sub-Trust Fund	**Fund balances as at 1 January 1998**	**Contributions**	**Other**	**Total**	**Project costs**	**Other costs**	**Total**	**Refunds to donors and transfers to/ from other funds-net**	**Fund balances as at 31 December 1999**	**a/ Unspent project budget allocations**	**a/ Unspent project budget allocations in excess of Fund balances**	**a/ Contributions receivable**
Donor: SIDA, Sweden												
Technology Transfer/Demonstration and Contribution to Sectoral Funding Strategy for Phasing out ODS Consumption in the Solvent Sector in China	257	570	-	570	415	11	426	-	401	(99)	-	-
Donor: Germany												
Elimination of CFCs 11 and 12 in the Manufacture of the Domestic and Commercial Refrigeration Equipment, etc. at AZKZON Refrigeration Industries, Inc.	-	354	13	367	266	3	269	-	98	292	(194)	-
Sub-Total	486	1,337	39	1,376	1,041	34	1,075	-	787	379	(194)	
				Schedule 5			**Schedule 5**		**Schedule 5.2**			
4. Capacity "21" Trust Fund												
Donor: Sweden and The Netherlands												
Support to Country Capacity for National Forest Action Programme	2,118	-	48	48	553	(4)	549	-	1,617	455	-	-
Donor: European Economic Community												
Integrated Pollution Control in Aleppo (Syria) Training and Consultancy Package	159	-	15	15	265	-	265	-	(91)	177	(268)	209
Sub-Total	2,277	-	63	63	818	(4)	814	-	1,526	632	(268)	209
				Schedule 5			**Schedule 5**		**Schedule 5.2**			

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

		Income			Expenditure						a/	
Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Contributions	Other	Total	Project costs	Other costs	Total	Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
5. **UNDP Energy Account**												
Donor: Poland												
Inter-energy Efficient												
Training Programme	4	(4)		(4)	-	-	-	-	-	-	-	-
Sub-Total	4	(4)	-	(4)	-	-	-	-	-	-	-	-
				Schedule 5			Schedule 5		Schedule 5.2			
6. **Enhancement of Private Sector Role in Development**												
Donor: Non												
Governmental Organization -												
Development of a Standard												
Deep-well Handpump for Use in												
Developing Countries	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-	-	-	-	-	-
7. **UNDP Trust Fund for Public-Private Partnerships for the Urban Environment**												
Donor: United Kingdom												
Public-Private Partnership for												
Urban Environment	-	806	-	806	-	-	-	-	806	-	-	-
Sub-Total	-	806	-	806	-	-	-	-	806	-	-	-

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

		Income			Expenditure							
Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Contributions	Other	Total	Project costs	Other costs	Total	Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
Fund Manager: UNDP Africa												
8. UNDP Trust Fund for Angola												
Donor: Various												
Support to the Reintegration of Demobilized Soldiers	6.152	619	411	1,010	5,660	737	6,397	-	785		-	2,017
Donor: Various												
Vocational Training and Micro Enterprise Promotion for Demobilized Soldiers	4,021	105	371	476	-	-	-	-	4,497	3,936	-	424
Donor: Various												
Support to the Development of a National Mine Clearance and Awareness Capacity	962	3,060	67	3,127	4,110	381	4,491	-	(402)	-	-	-
Donor: Non												
Governmental Organization AMOCO agreement in Support of Ambritz Fisheries Project	-	400	11	411	92	3	95	-	316	-	-	400
Sub-Total	11,135	4,184	860	5,044	9,862	1,121	10,983	-	5,196	3,936	-	2,841
9 UNDP Trust Fund for Rwanda												
Donor: Japan												
Civic Education and Communication Programme	20	-	4	4	9	-	9	-	15	-	-	-
Donor: The Netherlands												
Special Window Resettlement	2,476	-	375	375	3,103	91	3,194	-	(343)	843	(1,186)	-
Donor: The Netherlands												
Support to the Screening Commissions and to the Prisons	617	-	82	82	216	-	216	-	483	249	-	-

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Schedule of Income, Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: The Netherlands												
Rwanda Communal Police Force, Phase III	1,703	1,755	90	1,845	3,547	53	3,600		(52)	-	-	-
Donor: The Netherlands												
Special Window for Women	728	750	17	767	1,489	21	1,510	-	(15)	-	-	-
Donor: Switzerland												
Support to the Judiciary Sector	254		28	28	131	13	144	-	138	29	-	-
Donor: Switzerland/United Kingdom/Sweden/Austria/Norway												
The Rwanda Demobilzation and Reintegration programme		5,997	44	6,041	3,445	180	3,625	-	2,416	903	-	
Donor: Canada												
Support to the Social Integration of Young Unaccompanied and Unemployed Urban Youth	157		15	15	116		116	-	56	30	-	17
Donor: Finland												
Support for the Rehabilitation of the Justice System	122				103	11	114	-	8	16	(8)	
Donor: Sweden												
Capacity Building for Arrest Procedures, Detentions and Transfers of Detainees with Communal Police of Rwanda	(155)				(194)		(194)	-	39	40	(1)	
Donor: Norway												
Training Center for Drivers of Heavy Duty Cars	(157)	186		186	16	6	22		7	43	(36)	-

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(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: Italy												
Support to Health Sector at UMUTARA Prefecture	545	268	19	287	535	5	540	-	292	-	-	-
Donor: Ireland												
Housing for Widows and Women		138	5	143	50	4	54	-	89	-	-	-
Donor: Ireland												
Rwanda Reintegration Umbrella Project		996	13	1,009	224	12	236	-	773	89	-	-
Donor: Ireland												
Communal Policies Phase III		124	4	128	28	3	31	-	97	96	-	-
Donor: NGO (ACDI/VOCA)/USA												
Food Monetization		6,539	15	6,554	1,458	196	1,654	-	4,900	-	-	-
Sub-Total	6,310	16,753	711	17,464	14,274	597	14,871	-	8,903	2,338	(1,231)	17
				Schedule 5			Schedule 5		Schedule 5.2			
10 **UNDP/Norway Trust Fund for Assistance to the Electoral Process in Mozambique**												
Donor: Sweden												
Trust Fund for assistance to Local Elections in Mozambique	(264)	921		921	20	1	21	-	636	-	-	63
Donor: Switzerland												
Trust Fund for assistance to Local Elections in Mozambique	104	66	26	92	145	1	146	-	50	-	-	
Donor: European Union												
Trust Fund for assistance to Local Elections in Mozambique		891	3	894	58	-	58		836	-	-	
Sub-Total	(160)	1,878	29	1,907	223	2	225	-	1,522	-	-	63

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income, Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

		Income			Expenditure							
Name of Sub-Trust Fund	**Fund balances as at 1 January 1998**	Contributions	Other	Total	Project costs	Other costs	Total	**Refunds to donors and transfers to/ from other funds-net**	**Fund balances as at 31 December 1999**	**a/ Unspent project budget allocations**	**a/ Unspent project budget allocations in excess of Fund balances**	**a/ Contributions receivable**
11 **UNDP Trust Fund for the Mozambique Mine Clearance Programme**												
Donor: Denmark												
Mine Clearance and Bush Clearance in Preparation for Transmission Lines in Gaza and Inhambane	-	1,490	4	1,494	3,076	-	3,076	-	(1,582)	-	-	-
Donor: Sweden												
Trust Fund for Accelerated Demining Programme in Mozambique	-	974		974	320	3	323	-	651	6,103	(5,452)	-
Donor: Sweden												
Trust Fund on Technical Assistance to the National Mine Clearance Commission	-	120		120	-	-	-	-	120	-	-	-
Sub-Total	-	2,584	4	2,588	3,396	3	3,399	-	(811)	6,103	(5,452)	-
12 **UNDP Trust Fund for the UN Educational and Training Programme for Southern Africa (UNETPSA)**												
Donor: Italy												
Programme for Human Resources Development	(543)	2,692	286	2,978	1,311	78	1,389	-	1,046	-	-	-
Sub-Total	(543)	2,692	286	2,978	1,311	78	1,389	-	1,046	-	-	-

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income, Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
13 **UNDP Trust Fund to Combat Poverty and Hunger in Africa**												
Donor: Italy												
Ethiopia Italy Programme of Rehabilitation and Development (EIPRD)	738		102	102			-	-	840	35	-	-
Sub-Total	738		102	102			-	-	840	35	-	-
14 **UNDP Trust Fund to Support Governance in Africa**												
Donor: Canada												
Trust Fund for Security and Development in West Africa		265	3	268	126	14	140	-	128	2,169	(2,041)	131
Sub-Total		265	3	268	126	14	140	-	128	2,169	(2,041)	131
15 **UNDP Trust Fund for Guinea-Bissau**												
Donor: EEC												
Trust Fund for Support to Parliamentary and Presidential Elections in Guinea Bissau		1,658		1,658			-	-	1,658	-	-	
Sub-Total		1,658		1,658			-	-	1,658	-	-	

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BIENNIUM 1998 - 1999

Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
Fund Manager: UNDP Asia/Pacific												
16. UNDP Trust Fund for Humanitarian and Rehabilitation Assistance for Cambodia												
Donor: Sweden												
UNDP/Sweden for the Rehabilitation of Infra-structure in Cambodia	25	-	4	4	-	-	-	-	29	-	-	-
Donor: USA												
UNDP/USA Trust Fund for Cambodia	89	-	12	12	-	-	-	-	101	-	-	-
Sub-Total	114	-	16	16	-	-	-	-	130	-	-	-
17. UNDP Trust Fund for Capacity Building in De-mining Operations for Cambodia												
Donor: Japan												
"Phnom Penh International Workshop on Demining and Victim Assistance"	-	300	-	300	3	-	3	-	297	207	-	-
Sub-Total	-	300	-	300	3	-	3	-	297	207	-	-

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

		Income			Expenditure							
Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Contributions	Other	Total	Project costs	Other costs	Total	Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
18 UNDP Trust Fund for Support to Local and National Elections in Cambodia												
Donor: Sweden												
Support for Local Elections in Cambodia	-	484	-	484	-	-	-	-	484	-	-	-
Sub-Total	-	484	-	484	-	-	-	-	484	-	-	-
19 UNDP/LAO PDR Trust Fund for Clearance of Unexploded Ordnance (UXO)												
Donor: Norway												
Strengthening of Environmental Legislation	363	103	28	131	326	9	335	-	159	40	-	-
Donor: Denmark												
Clearance of Unexploded Ordenance Stregnthening of Environmental Legislation	-	1,165	-	1,165	-	-	-	-	1,165	-	-	1,718
Sub-Total	363	1,268	28	1,296	326	9	335	-	1,324	40	-	1,718

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
Fund Manager: UNDP Europe and CIS												
20. UNDP Trust Fund for Mine Clearance in Bosnia and Herzegovina												
Donor: UNHCR												
Demining to facilitate the return of refugees	-	2,807		2,807	3,345	195	3,540	-	(733)	94	(827)	-
Donor: UNHCR												
Support to the Mine Action Programme of Bosnia and Herzegovina	-	902		902	916	73	989	-	(87)	(243)	-	-
Donor: Canada												
Support to the Bosnia and Herzegovina Mine Action Center (BHMAC) and the Entity Mine Action Centres	-	428	4	432	655	20	675	-	(243)	118	(361)	-
Donor: Sweden												
Support to the Mine Clearance Programme Bosnia in Herzegovina	-	1,026	-	1,026	982	90	1,072	-	(46)	(72)	-	-
Donor: Netherlands												
Support to the Bosnia De-mining Programme (UN Consolidated Inter-Agency Appel for former Yugoslavia)	-	2,302	10	2,312	3,172	76	3,248	-	(936)	(978)	-	-
Donor: Slovenia												
International Trust Fund for Demining and Mine Victim's Assistance in Bosnia and Herzegovina	-	970		970	-	-	-	-	970	-	-	-

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

		Income			Expenditure							
Name of Sub-Trust Fund	**Fund balances as at 1 January 1998**	**Contributions**	**Other**	**Total**	**Project costs**	**Other costs**	**Total**	**Refunds to donors and transfers to/ from other funds-net**	**Fund balances as at 31 December 1999**	**a/ Unspent project budget allocations**	**a/ Unspent project budget allocations in excess of Fund balances**	**a/ Contributions receivable**
Donor: Germany												
Trust Fund for Mine Clearance in Bosnia and Herzegovina	-	13		13	14	1	15	-	(2)	(2)	-	-
Donor: Italy												
Trust Fund for Mine Clearance in Bosnia and Herzegovina	-	-		-	220	7	227	-	(227)	120	(347)	-
Sub-Total	-	8,448	14	8,462	9,304	462	9,766	-	(1,304)	(963)	(1,535)	-
Fund Manager: BOM												
21. **UNDP 2001 Trust Fund**												
Donor: Norway												
Support of UNDP 2001 Trust Fund	-	446	-	446	-	-	-	-	446	-	-	-
Sub-Total	-	446	-	446	-	-	-	-	446	-	-	-
Fund Manager: OSG/ERD												
22. **UNDP Trust Fund for Sustainable Social Development, Peace and Support to Countries in Special Situations**												
Donor: Italy												
Support of Sustainable Social Development, Peace and Support to Mozambique	20.175	-	-	-	(894)	(80)	(974)	(21,149)	-	-	-	-
Donor: Italy												
PROGRESS Bosnia and Herzegovina Programme	(29)	-	3	3	(2)	(8)	(10)	57	41	19	-	-

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income, Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: Italy												
Programme for the Promotion of Human Development at the Local Level in Central America	1,673	44	87	131	1,365	107	1,472	-	332	81	-	-
Sub-Total	21,819	44	90	134	469	19	488	(21,092)	373	100	-	-
Fund Manager: OA/PAPP												
23 **UNDP Fund for the Programme of Assistance to the Palestinian People**												
Donor: Argentina												
Trust Fund for Brucellosis Control Programme in the Occupied Territories	-	471	19	490	353	30	383	-	107	336	(229)	-
Donor: CIDA												
Palestinian Water Resources Action Programme	71		10	10	2	-	2	-	79	-	-	-
Donor: CIDA												
UNDP/CIDA Trust Fund for Non-formal Education: Youth Centres	29		4	4	-	-	-	-	33	-	-	
Donor: Denmark												
Integrated Water Resources Management and Planning	-	860	16	876	239	14	253	-	623	-	-	
Donor: Sweden												
Support to the Rehabilitation of Prime Zone in the Old City of Bethlehem	787	1,258		1,258	2,043	128	2,171	-	(126)	360	(486)	-

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income, Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: Sweden												
Rehabilitation of Youth Centres in the West Bank	(26)	506		506	453	27	480	-	-	-	-	-
Donor: Sweden												
Development of Youth and Women Centres in Poor Areas of the Gaza Strip	184	1,132		1,132	1,258	75	1,333	-	(17)	-	-	-
Donor: Sweden												
Support to the Employment Generation Programme in Gaza	2	-	-	-	2	-	2	-	-	-	-	-
Donor: Sweden												
Rehabilitation of Women and Youth Centres in Hebron Districts	-	510		510	347	29	376	-	134	143	(9)	-
Donor: Norway												
Employment Generation in the Fields of Municipal, Youth and Public Infrastructure in the Gaza Strip	890		14	14	840	50	890	-	14	-	-	-
Donor: Norway												
Employment Generation in the Fields of Municipal, Youth and Health Infrastructure in the Gaza Strip	919		15	15	867	52	919	-	15	-	-	-
Donor: Spain												
Trust Fund for Brucellosis Control Programme in the Occupied Territories		1,029	23	1,052	502	18	520	-	532	-	-	-

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Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income			Expenditure			Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: Japan												
Endowment Fund	-	411	3	414	97	8	105	-	309	2,906	(2,597)	-
Donor: WHO												
Palestinian Brucellosis Control Programme (Veterinary Component)	-	114	6	120	-	-	-	-	120	-	-	-
Sub-Total	2,856	6,291	110	6,401	7,003	431	7,434	-	1,823	3,745	(3,121)	-
				Schedule 5			Schedule 5		Schedule 5.2			
Fund Manager: UNDP Arab States												
24. UNDP Trust Fund for Somalia												
Donor: Sweden												
Trust Fund on Support to UN Appeal for Somalia		118	-	118	-	-	-	-	118	-	-	-
Sub-Total	-	118	-	118	-	-	-	-	118	-	-	-
Fund Manager: Office of Evaluation												
25. UNDP Trust Fund for Capacity Development Assessment												
Donor: Denmark												
Developing Capacity for Sustainable Human Development	8,542	-	952	952	1,233	188	1,421	-	8,073	-	-	
Sub-Total	8,542		952	952	1,233	188	1,421	-	8,073	-	-	

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BIENNIUM 1998 - 1999

Schedule 5.1: State of Sub-Trust Funds Established by UNDP

Schedule of Income,Expenditure and Fund balance for the biennium ended 31 December 1999

(Thousands of United States dollars)

		Income			Expenditure						a/ Unspent project budget allocations in excess of Fund balances	
Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Contributions	Other	Total	Project costs	Other costs	Total	Refunds to donors and transfers to/ from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations		a/ Contributions receivable
Fund Manager: OA/OSG												
26. **UNDP Trust Fund for International Partnership**												
Donor: UNF												
International Partnerships	-	5,618	213	5,831	2,357	157	2,514	-	3,317	9,350	(6,033)	-
Sub-Total	-	5,618	213	5,831	2,357	157	2,514	-	3,317	9,350	(6,033)	-
Total Sub-Trust Funds	61,679	56,239	4,265	60,504	56,738	1,162	59,900	(21,092)	41,191	10,048	(20,075)	5,037
				Schedule 5			**Schedule 5**					

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 5.2: Selected Trust Funds Established by UNDP
Statement of accounts for the biennium ended 31 December 1999

(Thousands of United States dollars)

		Trust Fund to Combat Desertification and Drought (UNSO)		Trust Fund for the Global Environmental Facility (GEF)		Multilateral Fund for the Implementation of the Montreal Protocol	
		1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME							
Voluntary contributions		695	1,990	130,375	110,000	76,151	66,551
Cost-sharing contributions		2,954	6,734	9,217	1,547	18	7
Sub-trust funds contributions		791	5,050	278	209	1,337	599
Management services agreements contributions		130	525	-	500	-	-
Sub Total		4,570	14,299	139,870	112,256	77,506	67,157
Interest income		2,040	1,564	4,969	6,612	13,550	13,968
Reimbursable support services		44	459	-	-	-	-
Other income		45	91	153	(157)	16	-
TOTAL INCOME		6,699	16,413	144,992	118,711	91,072	81,125
EXPENDITURE							
Programme							
Regular resources		2,817	3,382	129,921	103,729	69,150	60,834
Cost sharing		4,253	5,674	2,447	1,013	-	7
Sub-trust funds	schedule 5.1	2,855	1,634	2,137	1,860	1,041	317
Management services agreements	schedule 5.4	340	88	371	-	-	-
Other		-	-	-	-	-	-
Sub Total		10,265	10,778	134,876	106,602	70,191	61,158
Programme support - Implementing agents							
Regular resources		74	94	5,115	4,733	3,840	4,074
Cost-sharing		73	234	9	3	-	-
Sub-trust funds	schedule 5.1	29	61	22	16	24	12
Sub Total		176	389	5,146	4,752	3,864	4,086
Biennial support budget - net							
Management and administrative costs		2,059	3,615	15,767	11,175	2,677	2,219
Technical support costs		1,476	2,136	-	-	-	-
UNDP support costs		-	-	1,100	996	2,572	950
Reimbursable support services costs		-	200	-	-	-	-
Sub Total		3,535	5,951	16,867	12,171	5,249	3,169
Other expenditure		1,424	355	187	-	35	22
TOTAL EXPENDITURE		15,400	17,473	157,076	123,525	79,339	68,435
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		(8,701)	(1,060)	(12,084)	(4,814)	11,733	12,690
Savings on prior biennium's obligations		-	14	-	70	-	21
Refunds to donors and transfers to/from Other Funds		(139)	(406)	-	(755)	-	-
Fund balances, 1 January		23,372	24,824	39,719	45,218	84,880	72,169
FUND BALANCES, 31 DECEMBER		14,532	23,372	27,635	39,719	96,613	84,880

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 5.2: Selected Trust Funds Established by UNDP
Statement of accounts for the biennium ended 31 December 1999

(Thousands of United States dollars)

	Trust Fund to Combat Desertification and Drought (UNSO)		Trust Fund for the Global Environmental Facility (GEF)		Multilateral Fund for the Implementation of the Montreal Protocol	
	1999	1997	1999	1997	1999	1997
ASSETS						
Cash	-	21	-	42	3	71
Government letters of credit and Promissory notes schedule 8	-	-	-	-	31,150	-
Investments	8,104	23,359	37,026	60,212	60,127	131,456
Operating funds provided to Governments	3,273	4,072	10,479	8,826	572	621
Operating funds provided to Executing agents	338	296	-	477	1	-
Due from UNDP - Regular Resources	2,880	-	405	-	14,866	-
Other accounts receivable and deferred charges	19	175	71	-	3	-
Accrued interest	434	289	713	847	1,869	2,832
TOTAL ASSETS	15,048	28,212	48,694	70,404	108,591	134,980
LIABILITIES						
Operating Funds payable to Governments	-	40	-	3	-	-
Operating funds payable to Executing agents	-	-	12,004	11,764	8	-
Unliquidated Obligations	230	267	8,550	8,629	11,960	15,607
Accounts Payable	286	1	505	485	10	-
Due to UNDP - Regular Resources	-	4,532	-	9,804	-	34,493
TOTAL LIABILITIES	516	4,840	21,059	30,685	11,978	50,100
RESERVES AND FUND BALANCES						
Operational Reserve	-	-	-	-	-	-
Endowment fund	-	-	-	-	-	-
Unexpended resources						
Regular resources	6,427	11,831	12,500	29,493	95,808	84,395
Cost-sharing	5,432	6,842	13,032	6,271	18	-
Sub-trust funds	2,560	4,283	1,949	3,455	787	485
Management Service Agreements	113	416	154	500	-	-
Sub Total	14,532	23,372	27,635	39,719	96,613	84,880
Reimbursable Support Services	-	-	-	-	-	-
Total Unexpended Resources	14,532	23,372	27,635	39,719	96,613	84,880
TOTAL RESERVES AND FUND BALANCES, 31 DECEMBER	14,532	23,372	27,635	39,719	96,613	84,880
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	15,048	28,212	48,694	70,404	108,591	134,980
UNSPENT PROJECT BUDGET ALLOCATIONS	9,545	16,350	304,855	156,554	65,831	55,364
Unspent Project Budget Allocations in Excess of Fund Balances	-	-	(277,374)	(117,335)	-	-
CONTRIBUTIONS RECEIVABLE	292	5,350	2,877	230	-	-
CONTRIBUTIONS RECEIVED: 1 JANUARY - 31 MARCH	507	90	-	11	3,239	14,000

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 5.2: Selected Trust Funds Established by UNDP
Statement of accounts for the biennium ended 31 December 1999

(Thousands of United States dollars)

		Capacity "21" Trust Fund		UNDP Energy Account		UNDP Fund for the Programme of Assistance to the Palestinian People	
		1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME							
Voluntary contributions		6,367	17,472	-	-	62,524	72,015
Cost-sharing contributions		509	217	1,792	2,196	-	-
Sub-trust funds contributions		-	1,095	(4)	-	6,291	11,127
Management services agreements contributions		-	-	-	-	-	-
Sub Total		6,876	18,784	1,788	2,196	68,815	83,142
Interest income		5,276	7,369	350	482	4,858	3,289
Reimbursable support services		-	-	230	-	-	-
Other income		9	34	3	94	21	-
TOTAL INCOME		12,161	26,187	2,371	2,772	73,694	86,431
EXPENDITURE							
Programme							
Regular resources		14,675	13,956	1,592	3,756	59,363	64,745
Cost-sharing		559	230	-	-	-	-
Sub-trust funds	schedule 5.1	818	735	-	2	7,003	7,894
Management services agreements	schedule 5.4	-	-	-	-	-	-
Other		-	-	-	-	-	-
Sub Total		16,052	14,921	1,592	3,758	66,366	72,639
Programme support - Implementing agents							
Regular resources		625	547	89	312	4,308	4,027
Cost-sharing		13	-	-	-	-	-
Sub-trust funds	schedule 5.1	(4)	36	-	-	396	426
Sub Total		634	583	89	312	4,704	4,453
Biennial support budget - net							
Management and administrative costs		1,287	1,408	234	435	-	-
Technical support costs		-	-	242	-	-	-
UNDP support costs		222	245	-	-	332	726
Reimbursable support services costs		-	-	1	-	-	-
Sub Total		1,509	1,653	477	435	332	726
Other expenditure		124	27	8	16	6	-
TOTAL EXPENDITURE		18,319	17,184	2,166	4,521	71,408	77,818
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		(6,158)	9,003	205	(1,749)	2,286	8,613
Savings on prior biennium's obligations		-	3	-	-	-	-
Refunds to donors and transfers to/from Other Funds		-	(141)	-	102	(5,097)	(9)
Fund balances, 1 January		49,102	40,237	3,096	4,743	39,333	30,729
FUND BALANCES, 31 DECEMBER		42,944	49,102	3,301	3,096	36,522	39,333

UNITED NATIONS DEVELOPMENT PROGRAMME
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Statement of accounts for the biennium ended 31 December 1999

(Thousands of United States dollars)

	Capacity "21" Trust Fund		UNDP Energy Account		UNDP Fund for the Programme of Assistance to the Palestinian People	
	1999	1997	1999	1997	1999	1997
ASSETS						
Cash	-	7	-	-	-	-
Government letters of credit and Promissory notes	-	-	-	-	-	-
Investments schedule A	37,098	53,927	-	-	37,566	-
Operating funds provided to Governments	1,113	1,161	25	21	-	-
Operating funds provided to Executing agents	-	-	-	39	-	-
Due from UNDP - Regular Resources	4,434		4,133	3,841	-	33,424
Other accounts receivable and deferred charges	38	-	3	-	5,006	6,901
Accrued interest	1,172	1,128	-	-	599	-
TOTAL ASSETS	43,855	56,223	4,161	3,901	43,171	40,325
LIABILITIES						
Operating Funds payable to Governments	-	24	-	9	-	-
Operating funds payable to Executing agents	18	265	748	749	-	-
Unliquidated Obligations	855	654	81	47	1,380	992
Accounts Payable	18	-	31	-	-	-
Due to UNDP - Regular Resources	-	6,178	-	-	2,269	-
TOTAL LIABILITIES	911	7,121	860	805	3,649	992
RESERVES AND FUND BALANCES						
Operational Reserve	-	-	-	-	-	-
Endowment fund	-	-	-	-	3,000	-
Unexpended resources						
Regular resources	41,368	46,711	2,854	1,834	34,699	36,477
Cost-sharing	50	114	-	1,156	-	-
Sub-trust funds	1,526	2,277	-	4	1,823	2,856
Management Service Agreements	-	-	-	-	-	-
Sub Total	42,944	49,102	2,854	2,994	36,522	39,333
Reimbursable Support Services	-	-	447	102	-	-
Total Unexpended Resources	42,944	49,102	3,301	3,096	36,522	39,333
TOTAL RESERVES AND FUND BALANCES, 31 DECEMBER	42,944	49,102	3,301	3,096	39,522	39,333
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	43,855	56,223	4,161	3,901	43,171	40,325
UNSPENT PROJECT BUDGET ALLOCATIONS	16,179	18,239	1,458	2,217	33,949	37,794
Unspent Project Budget Allocations in Excess of Fund Balances	-	-	-	-	-	-
CONTRIBUTIONS RECEIVABLE	539	598	560	2,514	1,000	5,218
CONTRIBUTIONS RECEIVED: 1 JANUARY - 31 MARCH	99	155	-	200	9,961	12,541

The accompanying notes are an integral part of the financial statements

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Schedule 5.2: Selected Trust Funds Established by UNDP
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(Thousands of United States Dollars)

		UNDP Trust Fund for Rwanda	
		1998-1999	1996-1997
INCOME			
Voluntary contributions		15,403	44,650
Cost-sharing contributions		-	-
Sub-trust funds contributions		16,753	10,776
Management services agreements contributions		-	-
Sub Total		32,156	55,426
Interest income		3,271	1,256
Reimbursable support services		-	-
Other income		-	(6)
TOTAL INCOME		35,427	56,676
EXPENDITURE			
Programme			
Regular resources		32,806	17,723
Cost-sharing		-	-
Sub-trust funds	schedule 5.1	14,274	11,484
Management services agreements	schedule 5.4	-	-
Other		-	-
Sub Total		47,080	29,207
Programme support - Implementing agents			
Regular resources		220	628
Cost-sharing		-	-
Sub-trust funds	schedule 5.1	115	267
Sub Total		335	895
Biennial support budget - net			
Management and administrative costs		-	-
Technical support costs		3	-
UNDP support costs		944	1,568
Reimbursable support services costs		-	-
Sub Total		947	1,568
Other expenditure		85	-
TOTAL EXPENDITURE		48,447	31,670
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		(13,020)	25,006
Savings on prior biennium's obligations		-	-
Refunds to donors and transfers to/from Other Funds		-	-
Fund balances, 1 January		41,881	16,875
FUND BALANCES, 31 DECEMBER		28,861	41,881

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 5.2: Selected Trust Funds Established by UNDP
Statement of accounts for the biennium ended 31 December 1999

(Thousands of United States Dollars)

	UNDP Trust Fund for Rwanda 1999	1997
ASSETS		
Cash	-	-
Government letters of credit and Promissory notes	-	-
Investments schedule 8	22,277	-
Operating funds provided to Governments	6,378	6,523
Operating funds provided to Executing agents	1,349	-
Due from UNDP - Regular Resources	5,357	43,943
Other accounts receivable and deferred charges	-	-
Accrued interest	326	-
TOTAL ASSETS	35,687	50,466
LIABILITIES		
Operating Funds payable to Governments	1,115	-
Operating funds payable to Executing agents	1,695	7,582
Unliquidated Obligations	2,488	1,003
Accounts Payable	1,528	-
Due to UNDP - Regular Resources	-	-
TOTAL LIABILITIES	6,826	8,585
RESERVES AND FUND BALANCES		
Operational Reserve	-	-
Endowment fund	-	-
Unexpended resources		
Regular resources	19,958	35,571
Cost-sharing	-	-
Sub-trust funds	8,903	6,310
Management Service Agreements	-	-
Sub Total	28,861	41,881
Reimbursable Support Services	-	-
Total Unexpended Resources	28,861	41,881
TOTAL RESERVES AND FUND BALANCES, 31 DECEMBER	28,861	41,881
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	35,687	50,466
UNSPENT PROJECT BUDGET ALLOCATIONS	26,116	23,524
UNSPENT PROJECT BUDEGT ALLOCATIONS IN EXCESS OF FUND BALANCES	-	-
CONTRIBUTIONS RECEIVABLE	6,301	4,959
CONTRIBUTIONS RECEIVED: 1 JANUARY - 31 MARCH	182	-

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 5.3
Trust Funds established by UNDP
Biennial support budget for the biennium ended 31 December 1999

(Thousands of United States Dollars)

	Revised appropriations 1998 - 1999	1998-1999 Expenditure			Unencumbered balance 31 December 1999	Expenditure 1996-1997
		Disbursements	Unliquidated obligations	Total		
TRUST FUND TO COMBAT DESERTIFICATION AND DROUGHT (UNSO)						
Management and administration costs	3,345	2,059		2,059	1,286	3,615
Technical support costs	2,507	1,476		1,476	1,031	2,136
Subtotal	5,852	3,535	-	3,535	2,317	5,751
Reimbursable support services costs						200
TOTAL	5,852	3,535	-	3,535	2,317	5,951
				(Schedule 5.2)		(Schedule 5.2)

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 5.4: Status of Bilateral and Other Resources received under Management Services Agreements

(Thousands of United States dollars)

Report Run Date: Jul 25 2000 08:16AM

Source of funding	**Recipient country**	**Balance as at 1 January 1998**	**Income received**	**Disbursements**	**Cost of Service b/**		**Transfers/Refunds**	**Unencumbered balance as at 31 December 1999**
					Unliquidated obligations	**Total**		
Executed by United Nations Office for Projects Services								
UNSO								
Australia	Eastern and Southern Africa	315	138	309	31	340	-	113
Sweden	Burkina Faso	101					(101)	
SUB TOTAL UNSO		416	138	309	31	340	(101)	113
								Schedule 5.2
GEF								
World Bank	Regional - Europe	500	25	315	56	371		154
SUB TOTAL GEF		500	25	315	56	371		154
								Schedule 5.2
UNDP TRUST FUND FOR AFRICA 2000 NETWORK								
Japan	Regional - Africa	307						307
SUB TOTAL AFRICA 2000 NETWORK		307						307
UNDP TRUST FUND FOR SUSTAINABLE, SOCIAL DEVELOPMENT, PEACE AND SUPPORT TO COUNTRIES IN SPECIAL SITUATIONS								
Italy	Bosnia and Herzegovina		380	2,707	459	3,166	2,819	33
	Cuba		2,507	574	107	681		1,826
	Dominican Republic		266					266
	Global		1,022	1,644	382	2,026		(1,004)
	Mozambique		21,135	9,107	2,588	11,695		9,440
	South Africa		2,918	340	193	533		2,385
	Tunisia		383	93	25	118		265
SUB TOTAL CTY IN SPECIAL SITUATIONS			28,611	14,465	3,754	18,219	2,819	13,211
TOTAL		1,223	28,774	14,989	3,841	18,930	2,718	13,785
								Schedule II.2

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 6

REIMBURSABLE SERVICES AND MISCELLANEOUS ACTIVITIES

Income and expenditure and fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

	Management Service Agreements		Junior Professional Officers Programme		Reserve for Field Accomodation		Reimbursable Support Services		Special Activities		Total Reimbursable Support Services, Miscellaneous Activities and Special Activities	
	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME												
Contributions	282,905	315,351	52,989	54,475	-		-		7,630	3,859	343,524	373,685
Interest Income	16,688	12,169	-		-		11,192	6,000	27		27,907	18,169
Other Income	-		-		5,522	8,303	163,537	131,713	-		169,059	140,016
TOTAL INCOME	299,593	327,520	52,989	54,475	5,522	8,303	174,729	137,713	7,657	3,859	540,490	531,870
EXPENDITURE												
Programme	306,019	319,849	50,404	47,439	-		-		-		356,423	367,288
Programme support												
Implementing agents	-		6,042	5,676	-		-		-		6,042	5,676
Programme support to Resident Coordinator	-		-		-		-		690	4,190	690	4,190
Biennial support budget - net	-		-		2,782	4,380	133,853	106,015	8,816	1,495	145,451	111,890
Other Expenditure	-		-		202	14,585	-		-		202	14,585
TOTAL EXPENDITURE	306,019	319,849	56,446	53,115	2,984	18,965	133,853	106,015	9,506	5,685	508,808	503,629
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	(6,426)	7,671	(3,457)	1,360	2,538	(10,662)	40,876	31,698	(1,849)	(1,826)	31,682	28,241
Savings on prior biennium's obligations	-		-		31	13	1,030	949	26	3	1,087	965
Transfer (to) from reserves	-		-		-		(54,000)		-		(54,000)	
Refunds to donors and transfers (to) from other funds	(3,172)	(1,239)	-		(2,020)		110	396	63	2,986	(5,019)	2,143
Fund balances, 1 January	81,616	75,184	8,338	6,978	(6,154)	4,495	81,292	48,249	1,163		166,255	134,906
FUND BALANCES, 31 DECEMBER	72,018	81,616	4,881	8,338	(5,605)	(6,154)	69,308	81,292	(597)	1,163	140,005	166,255
	schedule 6.1		schedule 6.2		schedule 6.3		schedule 6.4		schedule 6.5		statement 1.2	

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 6 - Concluded

Assets, Liabilities and Reserves and Fund balances

As at 31 December

(Thousands of United States dollars)

	Management Service Agreements		Junior Professional Officers Programme		Reserve for Field Accommodation		Reimbursable Support Services		Special Activities		Total Reimbursable Support Services, Miscellaneous Activities	
	1999	1997	1999	1997	1999	1997	1999	1997	1999	1997	1999	1997
ASSETS												
Cash	-		-		-		3,651	2,408	-	-	3,651	2,408
Investments												
Reimbursable services and misc activities	-		39,036		-		-	-	-		39,036	
Operating funds provided to Executing agents	-				-		-		-	-	-	
Accounts Receivable and Deferred Charges												
Due from Core Activities	155,112	160,343	-	8,338	-		131,593	92,328	725	1,208	287,430	262,217
Other accounts receivable and deferred charges	-		838	626	87	87	7,348	328	-		8,273	1,041
Accrued interest	-		-		-	-	-		-		-	
Long-term Accounts Receivable	-		-		953	1,127	-		-		953	1,127
Loans to Governments	-		-		1,225	1,024	-		-		1,225	1,024
Construction Costs	-		-		45,308	44,558	-		-		45,308	44,558
Capitalized Rehabilitation	-		-		1,245	4,721	-		-		1,245	4,721
Household Appliance Rental Scheme	-		-		-	109	-		-		-	109
Allowance for write-down	-		-		(11,224)	(11,534)	-		-		(11,224)	(11,534)
TOTAL ASSETS	155,112	160,343	39,874	8,964	37,594	41,092	142,592	95,064	725	1,208	375,897	306,671
LIABILITIES												
Unliquidated obligations	83,094	78,727	701	626	24	30	4,498	3,348	1,319	45	89,636	82,776
Accounts payable	-		61		157		14,786	10,424	3		15,007	10,424
Due to UNDP - Regular resources by												
Reserve for Field Accomodation	-		-		14,346	17,491	-		-		14,346	17,491
Junior Professional Officers Programme	-		34,231		-		-		-		34,231	
Government Advances for rehabilitation costs	-		-			918	-		-		-	918
Agency reimbursement of construction costs	-		-		3,672	3,651	-		-		3,672	3,651
Deferred rent income	-		-		-	156	-		-		-	156
TOTAL LIABILITIES	83,094	78,727	34,993	626	18,199	22,246	19,284	13,772	1,322	45	156,892	115,416
RESERVES AND FUND BALANCES												
Operational reserve	-		-		-		54,000		-		54,000	
Funds balance - authorized level	-		-		25,000	25,000	-		-		25,000	25,000
Special Capital Resources	-		-		-				-		-	
Unexpended Resources	72,018	81,616	4,881	8,338	(5,605)	(6,154)	69,308	81,292	(597)	1,163	140,005	166,255
TOTAL RESERVES AND FUND BALANCES	72,018	81,616	4,881	8,338	19,395	18,846	123,308	81,292	(597)	1,163	219,005	191,255
TOTAL LIABILITIES AND RESERVES AND FUND BALANCES	155,112	160,343	39,874	8,964	37,594	41,092	142,592	95,064	725	1,208	375,897	306,671
	schedule 6.1		schedule 6.2		schedule 6.3		schedule 6.4		schedule 6.5		statement 1.2	

The accompanying notes are an integral part of the financial statements.

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 6.1
Management Services Agreements
Status of Bilateral and Other Resources received under Management Services Agreements

(Thousands of United States Dollars)   Report Run Date: Jul 25 2000 08:37AM

			Income received a/		Cost of Service b/				
Source of funding	Recipient country	Balance as at 1 January 1998	Deposits	Interest earnings	Disbursements	Unliquidated obligations	Total costs	Transfers to / from	Unencumbered balance as at 31 December 1999
Netherlands	Afghanistan	733	-	54	731	-	731	-	56
Italy	Albania	906	-	102	628	134	762	-	246
EEC	Albania	89	-	13	(22)	-	(22)	-	124
IADB	Argentina	395	5,644	146	4,760	2,498	7,258	-	(1,073)
World Bank	Argentina	2,748	14,012	536	10,754	2,150	12,904	(602)	3,790
Government (IDB)	Argentina	1,791	504	177	1,180	12	1,192	-	1,280
Government (WB)	Argentina	1,567	2,261	250	1,094	96	1,190	(468)	2,420
Japan	Benin	196	2,618	90	2,518	95	2,613	-	291
Government	Bhutan	(3)	-	-	-	-	-	-	(3)
World Bank	Bolivia	446	-	51	-	-	-	-	497
USAID	Bolivia	1	(1)	-	-	-	-	-	-
Government (WB)	Bolivia	9	-	1	-	-	-	-	10
Germany	Bolivia	68	-	7	-	-	-	(72)	3
Multiple	Bolivia	15	-	1	-	-	-	-	16
IADB	Bolivia	38	-	5	-	-	-	(34)	9
SICA	Bosnia Herzegovina	46	-	44	-	-	-	-	90
Japan	Burkina Faso	1,302	-	162	171	780	951	-	513
USA	Cambodia	13	-	1	-	-	-	-	14
Japan	Cambodia	44	1,674	71	1,653	-	1,653	-	136
Japan	Cameroon	58	-	1	-	-	-	-	59
Japan	Central African Republic	146	2,410	136	2,010	422	2,432	-	260
Italy	Central America	(74)	-	-	(74)	-	(74)	-	-
Italy	Chad	58	-	7	-	-	-	-	65
Government	Congo	43	-	5	-	-	-	(46)	2
USAID	Costa Rica	13	-	1	-	-	-	-	14
World Bank	Costa Rica	32	-	3	-	-	-	(34)	1
Japan	Cote d'Ivoire	167	31,116	488	16,022	6,578	22,600	-	9,171
Canada	Croatia	-	66	-	60	-	60	-	6
Germany	Croatia	-	70	1	67	-	67	-	4
USA - State Dept	Croatia	-	-	-	589	-	589	-	(589)
Italy	Cuba	13	-	6	-	-	-	-	19
Japan	Djibouti	2,531	-	156	2,498	-	2,498	-	189
Government	Djibouti	217	-	25	-	-	-	-	242
World Bank	Djibouti	28	-	3	-	-	-	-	31
Government	Dominican Republic	20	-	2	-	-	-	-	22
Italy	Dominican Republic	-	-	-	1	-	1	-	(1)
IFAD	DP Korea	(2)	-	-	(2)	-	(2)	-	-
World Bank	Ecuador	6,311	12,112	1,058	11,671	3,058	14,729	(2,239)	2,513
Government (WB)	Ecuador	433	-	55	505	130	635	301	154
Netherlands	Egypt	11	-	1	-	-	-	-	12
Italy	Egypt	116	-	13	-	-	-	-	129
IFAD-MSA	El Salvador	271	3,596	46	3,696	27	3,723	-	190
Italy	El Salvador	858	-	101	182	-	182	-	777
IFAD-MSA	Equatorial Guinea	-	95	2	31	-	31	-	66
USAID	Eritrea	742	-	100	15	-	15	-	827
Italy	Ethiopia	2,833	12,933	518	7,275	6,408	13,683	-	2,601
World Bank	Ethiopia	16	-	3	-	-	-	-	19
UNA-USA	Global	-	11	-	-	-	-	-	11
Italy	Global	(8)	-	9	(44)	-	(44)	-	45
World Bank	Guatemala	77	82	12	90	60	150	-	21
IFAD	Guatemala	125	-	13	50	-	50	(15)	73
Japan	Guatemala	-	7,515	194	7,298	276	7,574	-	135

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 6.1
Management Services Agreements
Status of Bilateral and Other Resources received under Management Services Agreements

(Thousands of United States Dollars)

Report Run Date: Jul 25 2000 08:37AM

			Income received a/		Cost of Service b/				
Source of funding	Recipient country	Balance as at 1 January 1998	Deposits	Interest earnings	Disbursements	Unliquidated obligations	Total costs	Transfers to / from	Unencumbered balance as at 31 December 1999
IADB	Guatemala	676	1.133	29	1.779	292	2.071	-	(233)
Netherlands	Guatemala	111	-	13	-	-	-	-	124
UN-Agency	Guatemala	-	79	-	-	-	-	-	79
Government	Guatemala	-	4.117	76	3.912	273	4.185	-	8
Japan	Guinea	165	12.905	395	5.012	6.837	11.849	-	1.616
Italy	Guinea	6	-	1	-	-	-	-	7
World Bank	Haiti	2.000	924	138	2.159	-	2.159	-	903
Switzerland	Haiti	(4)	-	-	-	-	-	-	(4)
Canada	Haiti	3	-	-	-	-	-	-	3
World Bank	Honduras	7	-	-	-	-	-	-	7
Japan	Honduras	571	4.762	259	49	178	227	-	5.364
IFAD-MBA	Indonesia	234	-	21	584	98	682	-	(427)
Czechoslovakia	Inter-Regional	397	-	-	-	-	-	-	397
Norway	Inter-Regional	672	2.287	112	1.325	323	1.648	-	1.423
Sweden	Inter-Regional	1.180	895	152	1.523	276	1.797	-	430
Italy	Inter-Regional	22	-	3	-	-	-	-	25
Japan	Inter-Regional	-	-	-	15	6	21	-	(21)
Denmark	Inter-Regional	3.424	5.128	503	4.509	547	5.056	(911)	3.088
Government	Kyrgyzstan	1	-	-	-	-	-	(1)	-
Norway	Kyrgyzstan	464	1.542	29	1.543	155	1.698	-	337
Denmark	Kyrgyzstan	31	-	8	-	-	-	(38)	2
Australia	Lao	12	-	2	-	-	-	-	14
Japan	Madagascar	(245)	4.056	254	3.950	101	4.051		14
Japan	Mali	4.831	12.310	434	12.958	3.427	16.385	-	1.190
World Bank	Mali	6	-	1	-	-	-	-	7
Japan	Mauritania	760	12.663	596	5.714	6.645	12.359	-	1.660
Government	Mexico	2	-	-	-	-	-	-	2
Netherlands	Mongolia	4	-	-	-	-	-	(4)	-
World Bank	Mongolia	199	-	22	-	-	-	-	221
Sweden	Mozambique	-	167	1	172	-	172	-	(4)
Italy	Nicaragua	-	807	37	11	112	123	-	721
Japan	Nicaragua	7.809	12.456	545	11.176	8.101	19.277	-	1.533
Japan	Niger	138	5.861	152	6.191	-	6.191	-	(40)
Italy	Palestine	4.133	-	611	3.274	14	3.288	-	1.456
Finland	Palestine	(1.469)	3.860	56	1.954	321	2.275	-	172
SICA	Palestine	776	-	90	502	-	502	-	364
World Bank	Papua New Guinea	291	-	65	(12)	-	(12)	-	368
Australia	Papua New Guinea	9	-	1	-	-	-	-	10
World Bank	Peru	209	3.628	187	3.393	247	3.640	-	384
Japan	Peru	546	14.992	593	13.870	3.686	17.556	-	(1.425)
Government	Peru	13.414	51.621	2.952	30.495	26.196	56.691	(1.376)	9.920
IADB	Peru	780	1.971	949	1.766	358	2.124	(933)	(335)
Government (WB)	Peru	6	2.052	72	1.193	340	1.533	-	597
Australia	Philippines	623	-	62	553	100	653	-	32
Denmark	Philippines	-	-	11	-	-	-	(11)	-
France	Regional - Africa	869	566	98	182	105	287	(232)	1.014
Sweden	Regional - Africa	15	-	1	1	-	1	(7)	8
Finland	Regional-Asia	40	-	5	-	-	-	-	45
Joint	Regional - Europe	136	-	-	-	-	-	-	136
Italy	Regional-Latin America	108	-	13	-	-	-	-	121
IADB	Regional-Latin America	635	(597)	16	-	-	-	-	54
World Bank	Republic of Latvia	25	-	3	-	-	-	(20)	8

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 6.1
Management Services Agreements
Status of Bilateral and Other Resources received under Management Services Agreements

Report Run Date: Jul 25 2000 09:37AM

(Thousands of United States Dollars)

Source of funding	Recipient country	Balance as at 1 January 1998	Income received a/		Cost of Service b/			Transfers to / from	Unencumbered balance as at 31 December 1999
			Deposits	Interest earnings	Disbursements	Unliquidated obligations	Total costs		
Japan	Togo	887	-	90	842	50	892	-	85
Japan	Senegal	406	11,940	414	10,739	1,090	11,829	-	931
CEC	Somalia	263	(250)	18	-	-	-	-	31
Japan	Somalia	2,193	-	249	-	-	-	-	2,442
IFAD-MSA	Somalia	249	290	65	625	207	832	-	(228)
World Bank	St Christopher and Nevis	273	(236)	26	-	-	-	(52)	11
Government (ITA)	Sudan	1,138	-	133	-	-	-	-	1,271
World Bank	Tajakistan	-	79	-	128	63	191	-	(112)
Finland	Thailand	175	-	22	-	-	-		197
USA	Trust Terr. of the Pacific Is.	4	-	-	-	-	-	(3)	1
World Bank	Turkey	2,860	19,840	834	15,819	3,574	19,393	(509)	3,632
Government	Turkey	(3,054)	424	22	(2,461)	-	(2,461)		(147)
USA	Turkey	573	-	64	-	-	-		637
World Bank	Uganda	132	-	53	13		13	(106)	66
Sweden	Uganda	2	-	-	-	-	-		2
Government	Uganda	53	-	11	1	-	1		63
Government	United Republic of Tanzania	63	-	29	76	-	76		16
World Bank	United Republic of Tanzania	367	-	37	75		75		329
IADB	Venezuela	148	-	47	85		85	-	110
Australia	Vietnam	473	-	52	-	-	-		525
Japan	Zaire	1,720	-	112	(1,326)	-	(1,326)		3,158
CEC	Zaire	755	882	70	2,027	86	2,113		(406)
Australia	Zimbabwe	1,034	-	91	1,181	444	1,625		(500)
Italy	Bosnia and Herzegovina	2,039	(4,651)	250	2,045		2,045	4,407	-
Japan	El Salvador				162		162		(162)
World Bank	Sao Tome and Principe	1	-						1
World Bank	Pakistan	(1)	-						
	TOTAL UNDP MSAs	81,616	282,905	16,669	222,925	93,794	316,719	(1,175)	76,365

Schedule 6.1

The accompanying notes are an integral part of the financial statements.

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 6.2
Junior Professional Officers programme
Status of Funds for the biennium ended 31 December 1999

Report Run Date: Jul 25 2000 08:37AM

(Thousands of United States Dollars)

Sources of financing	Balances as at 1 January 1998	Receipts	Programme Costs	Support Costs	Total Expenditure	Balance as at 31 December 1999
Governments						
Australia	91	-	11	1	12	79
Austria	(159)	1,046	743	91	834	53
Belgium	1,874	3,120	3,756	451	4,207	787
Canada	(705)	997	72	8	80	212
Denmark	2,850	12,261	11,982	1,438	13,420	1,691
Finland	1,027	2,454	2,262	271	2,533	948
France	206	2,382	1,836	219	2,055	533
Germany	755	3,782	2,994	359	3,353	1,184
Ireland	-	218	128	16	144	74
Italy	(119)	1,667	1,652	198	1,850	(302)
Japan	2,342	6,246	5,232	620	5,852	2,736
Korea	253	259	452	54	506	6
Luxembourg	(137)	478	555	67	622	(281)
Netherlands	159	8,006	7,968	956	8,924	(759)
Norway	(137)	2,936	2,916	352	3,268	(469)
Portugal	(34)	89	315	39	354	(299)
Spain	(547)	1,657	2,189	262	2,451	(1,341)
Sweden	191	3,088	3,140	376	3,516	(237)
Switzerland	478	1,963	1,820	218	2,038	403
United Kingdom	14	278	381	46	427	(135)
Total	8,338	52,989	50,404	6,042	56,446	4,881

Schedule 6

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 6.3

RESERVE FOR FIELD ACCOMODATIONS (RFA)
Income and expenditures and fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

	Housing		Office Premises		Support Services related to Housing Loan Reserve		Total	
	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME								
Rental income	4,347	6,199	733	1,278	-	-	5,080	7,477
Other Income - net	15	171	-	-	427	655	442	826
TOTAL INCOME	4,362	6,370	733	1,278	427	655	5,522	8,303
EXPENDITURE								
Repairs and Maintenance	2,771	3,310	-	471	-	-	2,771	3,781
Biennial support budget	-	-	-	-	11	599	11	599
Miscellaneous expenditure	168	8,585	34	6,000	-	-	202	14,585
TOTAL EXPENDITURE	2,939	11,895	34	6,471	11	599	2,984	18,965
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	1,423	(5,525)	699	(5,193)	416	56	2,538	(10,662)
Savings on prior biennium's obligations	18	-	-	-	13	13	31	13
Refunds to donors and transfers (to) from other funds	(2,020)	-	-	-	-	-	(2,020)	-
Fund balances, 1 January	(3,452)	2,073	(3,052)	2,141	350	281	(6,154)	4,495
FUND BALANCES, 31 DECEMBER	(4,031)	(3,452)	(2,353)	(3,052)	779	350	(5,605)	(6,154)

schedule 6

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 6.3

RESERVE FOR FIELD ACCOMODATION (RFA)
Assets, Liabilities and Reserves and Fund balances
As at 31 December

(Thousands of United States dollars)

	Housing		Office Premises		Support Services related to Housing Loan Reserve		Total	
	1999	1997	1999	1997	1999	1997	1999	1997
ASSETS								
Accounts Receivable and Deferred Charges								
Other accounts receivable and deferred charges	87	87	-	-	-	-	87	87
Long-term Accounts Receivable	953	1,127	-	-	-	-	953	1,127
Loans to Governments	1,225	1,824	-	-	-	-	1,225	1,824
Construction Costs Capitalized	18,428	18,111	26,880	26,447	-	-	45,308	44,558
Rehabilitation	1,245	4,721	-	-	-	-	1,245	4,721
Household Appliance Rental Scheme	-	309	-	-	-	-	-	309
Allowance for write-down	(5,224)	(5,534)	(6,000)	(6,000)	-	-	(11,224)	(11,534)
TOTAL ASSETS	16,714	20,645	20,880	20,447	-	-	37,594	41,092
LIABILITIES								
Unliquidated obligations	16	-	1	-	7	30	24	30
Accounts payable	156	-	-	-	1	-	157	-
Due to UNDP - Regular resources by Reserve for Field Accomodation	(4,427)	(1,977)	19,560	19,848	(787)	(380)	14,346	17,491
Government Advances for rehabilitation costs	-	918	-	-	-	-	-	918
Agency reimbursement of construction costs	-	-	3,672	3,651	-	-	3,672	3,651
Deferred rent income	-	156	-	-	-	-	-	156
TOTAL LIABILITIES	(4,255)	(903)	23,233	23,499	(779)	(350)	18,199	22,246
Funds balance - authorized level	25,000	25,000	-	-	-	-	25,000	25,000
Unexpended Resources	(4,031)	(3,452)	(2,353)	(3,052)	779	350	(5,605)	(6,154)
TOTAL LIABILITIES AND FUND BALANCES	16,714	20,645	20,880	20,447	-	-	37,594	41,092

schedule 6

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 6.4

REIMBURSABLE SUPPORT SERVICES
Income and expenditure and fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

	Reimbursable Support Services Related to non UNDP Activities		Reimbursable Support Activities Financed by Other Resources		Reimbursable Support Services Provided by IAPSO		Total Reimbursable Support Services	
	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME								
Interest Income	503	517	10,689	5,483	-	-	11,192	6,000
Other Income	33,997	28,643	122,443	97,419	7,097	5,651	163,537	131,713
TOTAL INCOME	34,500	29,160	133,132	102,902	7,097	5,651	174,729	137,713
EXPENDITURE								
Biennial support budget - net	34,775	28,850	93,705	72,326	5,373	4,839	133,853	106,015
TOTAL EXPENDITURE	34,775	28,850	93,705	72,326	5,373	4,839	133,853	106,015
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	(275)	310	39,427	30,576	1,724	812	40,876	31,698
Savings on prior biennium's obligations	158	546	851	377	21	26	1,030	949
Transfer (to) from reserves	-	-	(54,000)	-	-	-	(54,000)	-
Refunds to donors and transfers (to) from other funds	-	-	92	396	18	-	110	396
Fund balances, 1 January	9,758	8,902	69,022	37,673	2,512	1,674	81,292	48,249
FUND BALANCES, 31 DECEMBER	9,641	9,758	55,392	69,022	4,275	2,512	69,308	81,292

schedule 6

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 6.4

REIMBURSABLE SUPPORT SERVICES
Assets, Liabilities and Fund balances
As at 31 December

(Thousands of United States dollars)

	Reimbursable Support Services Related to non UNDP Activities		Reimbursable Support Services Related to Programme Activities Financed by Other Resources		Reimbursable Support Services Provided by IAPSO		Total Reimbursable Support Services	
	1999	1997	1999	1997	1999	1997	1999	1997
ASSETS								
Cash	-	-	-	-	3,651	2,408	3,651	2,408
Accounts Receivable and Deferred Charges								
Due from Core Activities	10,488	10,040	110,378	72,059	10,727	10,229	131,593	92,328
Other accounts receivable and deferred charges	101	-	2,793	-	4,454	328	7,348	328
TOTAL ASSETS	10,589	10,040	113,171	72,059	18,832	12,965	142,592	95,064
LIABILITIES								
Unliquidated obligations	926	282	3,545	3,037	27	29	4,498	3,348
Accounts payable	22	-	234	-	14,530	10,424	14,786	10,424
TOTAL LIABILITIES	948	282	3,779	3,037	14,557	10,453	19,284	13,772
Operational reserve	-	-	54,000	-	-	-	54,000	-
Special Capital Resources	-	-	-	-	-	-	-	-
Unexpended Resources	9,641	9,758	55,392	69,022	4,275	2,512	69,308	81,292
TOTAL LIABILITIES AND FUND BALANCES	10,589	10,040	113,171	72,059	18,832	12,965	142,592	95,064

schedule 6

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 6.5

SPECIAL ACTIVITIES

Income and expenditure and fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

	Support to UN Resident Coordinator		Unified Coding System		Extrabudgetary Support for Special Purposes		Disaster Mitigation Programme		Total Special Activities	
	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME										
Contributions	1,910	1,943	579	994	3,970	922	1,171	-	7,630	3,859
Interest Income	-	-	27	-	-	-	-	-	27	-
Other Income	-	-	-	-	-	-	-	-	-	-
TOTAL INCOME	1,910	1,943	606	994	3,970	922	1,171	-	7,657	3,859
EXPENDITURE										
Programme support to Resident Coordinator	690	4,190	-	-	-	-	-	-	690	4,190
Biennial support budget - net	-	-	936	788	6,127	707	1,753	-	8,816	1,495
TOTAL EXPENDITURE	690	4,190	936	788	6,127	707	1,753	-	9,506	5,685
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	1,220	(2,247)	(330)	206	(2,157)	215	(582)	-	(1,849)	(1,826)
Savings on prior biennium's obligations	4	2	-	-	22	1	-	-	26	3
Refunds to donors and transfers (to) from other funds	63	2,586	-	400	-	-	-	-	63	2,986
Fund balances, 1 January	341	-	606	-	216	-	-	-	1,163	-
FUND BALANCES, 31 DECEMBER	1,628	341	276	606	(1,919)	216	(582)	-	(597)	1,163

schedule 6

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 6.5

SPECIAL ACTIVITIES
Assets, Liabilities and Fund balances
As at 31 December

(Thousands of United States dollars)

	Support to UN Resident Coordinator		Unified Coding System		Extrabudgetary Support for Special Purposes		Disaster Mitigation Programme		Total Special Activities	
	1999	1997	1999	1997	1999	1997	1999	1997	1999	1997
ASSETS										
Accounts Receivable and Deferred Charges										
Due from Core Activities	1,628	354	279	606	(827)	248	(355)	-	725	1,208
Other accounts receivable and deferred charges	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	1,628	354	279	606	(827)	248	(355)	-	725	1,208
LIABILITIES										
Unliquidated obligations	-	13	-	-	1,092	32	227	-	1,319	45
Accounts payable	-	-	3	-	-	-	-	-	3	-
TOTAL LIABILITIES	-	13	3	-	1,092	32	227	-	1,322	45
Unexpended Resources	1,628	341	276	606	(1,919)	216	(582)	-	(597)	1,163
TOTAL LIABILITIES AND FUND BALANCES	1,628	354	279	606	(827)	248	(355)	-	725	1,208

schedule 6

The accompanying notes are an integral part of the financial statements.

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999

Schedule 6.6
Inter Agency Procurement Service Office (IAPSO)
Income, Expenditure and Fund balances for the biennium ended 31 December 1999

(Thousands of United States Dollars)

Report Run Date: Jul 25 2000 08:4 AM

	Trading Activities	
	1998 - 1999	1996 - 1997
INCOME		
Procurement handling fees	6,307	4,967
Insurance income	312	230
Training fees	200	123
Sale of publications	32	77
Miscellaneous income	246	254
TOTAL INCOME	7,097	5,651
EXPENDITURE		
Post costs	3,466	3,365
General and operating expenses	1,907	1,474
TOTAL EXPENDITURE	5,373	4,839
NET EXCESS OF INCOME OVER EXPENDITURE	1,724	812
Fund balance, 1 January	2,512	1,674
Refunds to donors and transfers (to) from other funds	18	
Savings on prior Biennium's obligations	21	26
FUND BALANCE, 31 DECEMBER	4,275	2,512

Schedule 6.4

The accompanying notes are an integral part of the financial statements.

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 7: Funds Established by General Assembly and Administered by UNDP
Statement of accounts for the biennium ended 31 December 1999

(Thousands of United States dollars)

Report Run Date: Jul 25 2000 08:43AM

		United Nations Capital Development Fund		United Nations Revolving Fund for Natural Resources Exploration		United Nations Fund for Science and Technology for Development	
		1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME							
Voluntary contributions		57,902	68,632	1,706	1,472	97	178
Cost-sharing contributions		472	342	-	-	-	44
Sub-trust funds contributions		4,912	259	-	-	-	-
Management services agreements contributions		-	-	-	-	-	-
Full funding arrangements		-	-	-	-	-	-
United Nations joint venture		-	-	-	-	-	-
Other		-	-	-	-	-	-
Sub Total		63,286	69,233	1,706	1,472	97	222
Interest income		13,338	14,090	447	326	107	104
Reimbursable support services		3,588	3,994	-	-	-	-
Other income		270	75	2	6	1	6
TOTAL INCOME		80,482	87,392	2,155	1,804	205	332
EXPENDITURE							
Programme							
Regular resources		82,098	76,827	882	654	439	157
Cost-sharing		321	270	-	-	-	6
Sub-trust funds	Schedule 7.1	3,822	1,774	-	32	-	86
Full funding arrangements		-	-	-	-	-	-
United Nations joint ventures		-	-	-	-	-	-
Other		-	-	-	-	-	-
Sub Total		86,241	78,871	882	686	439	249
Programme support - Implementing agents							
Regular resources		1,449	1,658	-	-	44	11
Cost-sharing		-	-	-	-	-	1
Sub-trust funds	Schedule 7.1	69	139	-	-	-	(1)
Full funding arrangements		-	-	-	-	-	-
United Nations joint ventures		-	-	-	-	-	-
Sub Total		1,518	1,797	-	-	44	11
Biennial support budget - net							
Management and administrative costs		4,404	4,031	1,112	-	-	-
Technical support costs		6,252	7,339	197	337	-	-
Reimbursable support services costs		3,870	3,741	-	-	-	-
Biennial support operations - general		-	-	-	799	-	-
Sub Total		14,526	15,111	1,309	1,136	-	-
Other expenditure		168	425	3	-	160	14
TOTAL EXPENDITURE		102,453	96,204	2,194	1,822	643	274
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		(21,971)	(8,812)	(39)	(18)	(438)	58
Savings on prior biennium's obligations		-	32	-	-	-	-
Transfer to/from Reserves		-	(4,800)	-	-	-	-
Refunds to donors and transfers to/from Other Funds		-	-	-	(6)	-	(3)
Fund balances, 1 January		66,622	80,202	3,143	3,167	1,180	1,125
FUND BALANCES, 31 DECEMBER		44,651	66,622	3,104	3,143	742	1,180

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 7: Funds Established by General Assembly and Administered by UNDP
Statement of accounts for the biennium ended 31 December 1999

Report Run Date: Jul 25 2000 08:43AM

(Thousands of United States dollars)

	United Nations Capital Development Fund		United Nations Revolving Fund for Natural Resources Exploration		United Nations Fund for Science and Technology for Development	
	1999	1997	1999	1997	1999	1997
ASSETS						
Cash	471	589	22	14	1	41
Investments schedule 8	94,118	125,232	4,407	3,379	6	860
Loans to Governments	2,667	5,637	-	-	-	-
Operating funds provided to Governments	-	-	-	-	-	168
Operating funds provided to Executing agents	79	700	-	-	11	12
Due from UNDP - Regular Resources	-	-	42	-	601	-
Other accounts receivable and deferred charges	2,783	1,275	-	-	135	174
Accrued interest	2,216	3,001	22	47	-	10
TOTAL ASSETS	102,334	136,434	4,493	3,440	754	1,265
LIABILITIES						
Operating Funds payable to Governments	8	-	-	-	-	32
Operating funds payable to Executing agents	6,212	3,552	-	-	-	1
Unliquidated Obligations	3,336	6,678	62	36	12	30
Accounts Payable	113	-	(40)	-	-	-
Due to UNDP - Regular Resources	3,014	14,582	1,367	261	-	22
Reserve for Medical Evacuation	-	-	-	-	-	-
TOTAL LIABILITIES	12,683	24,812	1,389	297	12	85
RESERVES AND FUND BALANCES						
Operational Reserve	45,000	45,000	-	-	-	-
Unexpended resources						
Regular resources	38,504	61,578	3,070	3,111	315	748
Cost-sharing	351	200	-	-	27	71
Sub-trust funds	2,864	1,630	34	32	390	351
Full funding arrangements	-	-	-	-	-	-
United Nations joint ventures	-	-	-	-	-	-
Sub Total	41,719	63,408	3,104	3,143	732	1,170
Reimbursable Support Services	2,932	3,214	-	-	10	10
Total Unexpended Resources	44,651	66,622	3,104	3,143	742	1,180
TOTAL RESERVES AND FUND BALANCES, 31 DECEMBER	89,651	111,622	3,104	3,143	742	1,180
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	102,334	136,434	4,493	3,440	754	1,265
UNSPENT PROJECT BUDGET ALLOCATIONS	8,644	22,214	919	358	-	422
Unspent Project Budget Allocations in Excess of Fund Balances	-	-	-	-	-	-
CONTRIBUTIONS RECEIVABLE	2,533	3,034	151	1,063	671	784
CONTRIBUTIONS RECEIVED: 1 JANUARY - 31 MARCH	2,159	6,820	-	1,000	-	3
	(Note 30)		(Note 31)		(Note 32)	

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 7: Funds Established by General Assembly and Administered by UNDP
Statement of accounts for the biennium ended 31 December 1999

Report Run Date: Jul 25 2000 10:58AM

(Thousands of United States dollars)

		United Nations Development Fund for Women		United Nations Volunteers Programme		Total Funds	
		1998-1999	1996-1997	1998-1999	1996-1997	1998-1999	1996-1997
INCOME							
Voluntary contributions		32,596	25,291	6,388	7,900	98,689	103,473
Cost-sharing contributions		4,676	7,150	1,180	252	6,328	7,788
Sub-trust funds contributions		7,213	2,185	13,347	18,659	25,472	21,103
Management services agreements contributions		-	-	-	-	-	-
Full funding arrangements		-	-	12,921	10,508	12,921	10,508
United Nations joint venture		-	-	5,060	294	5,060	294
Other		-	-	-	-	-	-
Sub Total		44,485	34,626	38,896	37,613	148,470	143,166
Interest income		1,987	623	4,958	4,390	20,837	19,533
Reimbursable support services		1,598	910	5,470	12,757	10,656	17,661
Other income		145	153	6,245	7,694	6,663	7,934
TOTAL INCOME		48,215	36,312	55,569	62,454	186,626	188,294
EXPENDITURE							
Programme							
Regular resources		20,320	14,322	11,924	8,078	115,663	100,038
Cost-sharing		3,921	5,374	547	82	4,789	5,732
Sub-trust funds	Schedule7.1	4,301	1,656	14,799	14,695	22,922	18,243
Full funding arrangements		-	-	13,700	9,296	13,700	9,296
United Nations joint ventures		-	-	2,693	413	2,693	413
Other		-	-	-	-	-	-
Sub Total		28,542	21,352	43,663	32,564	159,767	133,722
Programme support - Implementing agents							
Regular resources		7	(8)	-	-	1,500	1,661
Cost-sharing		382	389	55	8	437	398
Sub-trust funds	Schedule7.1	472	177	1,421	1,850	1,962	2,165
Full funding arrangements		-	-	181	107	181	107
United Nations joint ventures		-	-	2,146	749	2,146	749
Sub Total		861	558	3,803	2,714	6,226	5,080
Biennial support budget - net							
Management and administrative costs		3,595	2,387	-	-	9,111	6,418
Technical support costs		4,489	3,778	-	-	10,938	11,454
Reimbursable support services costs		209	241	4,570	11,744	8,649	15,726
Biennial support operations - general		-	-	-	-	-	799
Sub Total		8,293	6,406	4,570	11,744	28,698	34,397
Other expenditure		201	287	42	-	574	726
TOTAL EXPENDITURE		37,897	28,603	52,078	47,022	195,265	173,925
EXCESS (SHORTFALL) INCOME OVER EXPENDITURE		10,318	7,709	3,491	15,432	(8,639)	14,369
Savings on prior biennium's obligations		-	65	-	-	-	97
Transfer to/from Reserves		(3,200)	(3,500)	(900)	-	(4,100)	(8,300)
Refunds to donors and transfers to/from Other Funds		(310)	-	(2)	(29)	(312)	(38)
Fund balances, 1 January		12,287	8,013	47,546	32,143	130,778	124,650
FUND BALANCES, 31 DECEMBER		19,095	12,287	50,135	47,546	117,727	130,778

UNITED NATIONS DEVELOPMENT PROGRAMME
BIENNIUM 1998 - 1999
Schedule 7: Funds Established by General Assembly and Administered by UNDP
Statement of accounts for the biennium ended 31 December 1999

(Thousands of United States dollars)

Report Run Date: Jul 25 2000 10:58AM

	United Nations Development Fund for Women		United Nations Volunteers Programme		Total Funds	
	1999	1997	1999	1997	1999	1997
ASSETS						
Cash	-	848	-	-	494	1,492
Investments schedule 8	28,540	14,507	64,509	37,179	191,580	181,157
Loans to Governments	-	-	-	-	2,667	5,637
Operating funds provided to Governments	389	1,690	-	-	389	1,858
Operating funds provided to Executing agents	516	528	-	-	606	1,240
Due from UNDP - Regular Resources	-	-	-	11,052	643	11,052
Other accounts receivable and deferred charges	3,278	-	5,482	1,168	11,678	2,617
Accrued interest	352	236	918	560	3,508	3,854
TOTAL ASSETS	33,075	17,809	70,909	49,959	211,565	208,907
LIABILITIES						
Operating Funds payable to Governments	129	97	-	-	137	129
Operating funds payable to Executing agents	9	207	-	-	6,221	3,760
Unliquidated Obligations	1,611	1,184	215	16	5,236	7,944
Accounts Payable	496	57	3,920	2,397	4,489	2,454
Due to UNDP - Regular Resources	5,035	477	15,262	-	24,678	15,342
Reserve for Medical Evacuation	-	-	1,377	-	1,377	-
TOTAL LIABILITIES	7,280	2,022	20,774	2,413	42,138	29,629
RESERVES AND FUND BALANCES						
Operational Reserve	6,700	1,500	-	-	51,700	48,500
Unexpended resources						
Regular resources	8,624	5,768	26,504	23,482	77,017	94,687
Cost-sharing	3,360	3,505	740	162	4,478	3,938
Sub-trust funds	4,867	2,159	15,628	16,800	23,783	20,972
Full funding arrangements	-	-	4,431	5,391	4,431	5,391
United Nations joint ventures	-	-	(1,303)	(1,524)	(1,303)	(1,524)
Sub Total	16,851	11,432	46,000	44,311	108,406	123,464
Reimbursable Support Services	2,244	855	4,135	3,235	9,321	7,314
Total Unexpended Resources	19,095	12,287	50,135	47,546	117,727	130,778
TOTAL RESERVES AND FUND BALANCES, 31 DECEMBER	25,795	15,787	50,135	47,546	169,427	179,278
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	33,075	17,809	70,909	49,959	211,565	208,907
UNSPENT PROJECT BUDGET ALLOCATIONS	19,545	15,335	27,121	28,721	56,229	67,050
Unspent Project Budget Allocations in Excess of Fund **Balances**	(2,694)	(3,903)	-	-	-	-
CONTRIBUTIONS RECEIVABLE	2,708	6,984	2,587	1,153	8,650	13,018
CONTRIBUTIONS RECEIVED: 1 JANUARY - 31 MARCH	5,589	7,310	-	1,525	7,748	16,658
	(Note 33)		(Note 34)		(Overview)	

The accompanying notes are an integral part of the financial statements

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(Thousands of United States dollars)

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		Contributions	Other	Total	Project costs	Other costs	Total					
Fund Manager: UNCDF												
1 **United Nations Capital Development Fund**												
Donor: **Belgium**												
Irrigated Agriculture in Farfar Plain	326		28	28					354			
Donor: **Belgium**												
Amenagement et Gestion des Terroirs de la Plaine Seno - Gondo	905	1,413	131	1,544	1,488	70	1,558		891			
Donor: **Belgium**												
D'appui aux communes rurales ducercle de L'ombouctou - Mali		1,257	3	1,260	640		640		620			
Donor: **Norway**												
Production of School Furniture	49		6	6					55			
Donor: **Norway**												
Environmental Guidelines Conference	3								3			
Donor: **Switzerland**												
Suspension Bridges (Phase II)	133		14	14				(28)	119			
Donor: **Switzerland**												
Suspension Bridges (Phase III)	154		8	8				28	190			441
Donor: **The Netherlands**												
Grameen Deep Tubewell Irrigation Project	55		6	6					61			369
Donor: **The Netherlands**												
Wholesale Fruit and Vegetable Market in Al Hussiniah	5		2	2	(5)	(1)	(6)		13			350
Donor: **Australia**												
Rural Infrastructure Development Fund, Phase I		602	15	617	66		66		551			445

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		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: Netherlands												
Support to Decentralized Planning and Finance in Nampula	-	1,680		1,680	1,633		1,633		7			298
Sub-Total	1,630	4,912	213	5,125	3,822	69	3,891		2,864			2,103
Fund Manager: SDP								**Schedule 7**				
2. **United Nations Revolving Fund for Natural Resources Exploration**												
Donor: Japan												
Mineral Exploration in SADCC Region	32	-	3	3				-	35			
Sub-Total	32		3	3				-	35			
								Schedule 7				
3. **United Nations Fund for Science and Technology for Development**												
Donor: France												
Strengthening Management of Technology Capacity at the School of Management Asian Institute of Technology (AIT)	41		4	4					45			
Donor: Germany												
Policy Dialogues for Strengthening Endogenous Capacities in Science and Technology	32		3	3					35			

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		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: Italy												
Regional Non-destructive Testing Network for Latin America and the Caribbean (Phase II)	12		2	2					14			
Donor: Italy												
Development of National Scientific and Technological Capacity in Natural Resources Remote Sensing through Aerial and Satellite Photo Interpretation	48		8	8					56			
Donor: Italy												
Reconnaissance and Exploration for Geothermal Resources	12		2	2					14			
Donor: Italy												
Application of Technologies Appropriate for Rural Areas (Phase II)	21		2	2					23			
Donor: Italy												
Establishment of the Beijing National Food Technology and Quality Control Research Development Centre	163		18	18					181			
Donor: Norway												
Strengthening the Computer Education and Computing Capability at the Asian Institute of Technology (AIT)	22		2	2					24			
Sub-Total	351		[illegible]	39					390			

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		Contributions	Other	Total	Project costs	Other costs	Total					
Fund Manager: UNIFEM												
4 United Nations Development Fund for Women												
Donor: EEC												
Post Beijing follow up in Western Asia	-	-	-	-	-	-	-	-	-	-	-	27
Donor: EEC												
Women's Economic Empowerment in Syria	46	-	1	1	44	3	47	-	-	104	(104)	95
Donor: EEC												
Assistance Programme for Women's Empowerment in Lebanon Reproductive Health and Economic Empowerment	-	95	2	97	92	4	96	-	1	476	(475)	347
Donor: EEC												
Political Empowerment of Somali Women NGOs	-	85	4	89	-	-	-	-	89	-	-	336
Donor: EEC												
Post Beijing Follow up Phase II	-	784	22	806	263	16	279	-	527	1,283	(756)	712
Donor: Denmark												
Credit Scheme for Productive Activities of Women in the United Republic of Tanzania	1,018	-	103	103	233	30	263	-	858	-	-	
Donor: Japan												
Contribution to the Centre for Social Development and Humanitarian Affairs	170	-	9	9	-	-	-	-	179	-	-	
Donor: Japan, Denmark, Republic of Korea Italy, Mauritius, UK, Australia, Malta												
Trust Fund for the Elimination of Violence against Women	522	3,073	90	3,163	2,110	296	2,406	-	1,279	1,229	-	99

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Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income: Contributions	Income: Other	Income: Total	Expenditure: Project costs	Expenditure: Other costs	Expenditure: Total	Refunds to donors and transfers to/from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
Donor: The Netherlands												
African Women for Conflict Resolution and Peace (Phase II)	75	126	11	137	189	24	213	-	(1)		(1)	-
Donor: Sweden												
Women, Environment and Development	24	1	2	3	11	2	13	-	14	11	-	-
Donor: Sweden												
United Nations Consolidated Inter-Agency Appeal for Persons Affected by the Crisis in Rwanda	13		2	2	-	-	-	-	15	-	-	-
Donor: Sweden												
Improving Statistics on Gender Issues	61		7	7	4	1	5	-	63	-	-	-
Donor: Sweden												
Capacity-Building Support for Women's Peace Activities in Burundi	230	249	12	261	224	29	253	-	238	228	-	
Donor: Sweden												
Interregional Consultation on Women's Land and Property Rights under situations of Conflicts and Reconstruction	-	113		113	90	9	99	-	14	1	-	
Donor: UNFIP												
A Life of Violence - Reduction of Violence against Women/Shea butter Production in Burkino Faso	-	2,437	3	2,440	919	46	965		1,475	3,795	(2,320)	
Donor: MacArthur Foundation												
Learning Component for the UNIFEM Trust Fund in Support of Action to Eliminate Violence Against Women		250		250	122	12	134		116	166	(50)	

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		Income			Expenditure							
Name of Sub Trust Fund	Fund balances as at 1 January 1998	Contributions	Other	Total	Project costs	Other costs	Total	Refunds to donors and transfers to/from other funds net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
Donor: First UN Conference for Sustainable Development in Small Islands												
Donor: Women's Population and Environment Interactions												
Sub-Total	2,159	7,213	268	7,481	4,301	472	4,773		4,867	7,293	(3,706)	1,616
Fund Manager: UNV												
5 **United Nations Volunteers Programme**												
Donor: Argentina												
White Helmets Initiative	671	1,999	122	2,121	1,656	165	1,821		971	931		
Donor: Belgium												
Technical Assistance to the Center for Human Rights in Cambodia	106		11	11	40	3	43		74	61		
Donor: Belgium												
Women and Peace Initiatives in the Phillipines	39		5	5		(1)	(1)		45			
Donor: Belgium												
UNV Multi-sectoral Assistance to Angola	1,961		198	198	1,174	117	1,291		868	861		
Donor: Canada												
UNV Specialists to Support UNCHR Humanitarian Assistance Activities	3		1	1					4			

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		Income			Expenditure							
Name of Sub Trust Fund	Fund balance as at 1 January 1998	Contributions	Other	Total	Project costs	Other costs	Total	Refunds to donors and transfers to/from other funds net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
Donor: European Union												
MOU with the European Union		250		250	227	23	250					
Donor: France												
Government of France Support to the Development of Volunteerism	772	455	84	539	665	46	711		600	600		
Donor: France												
White Helmets Initiative	136		1	1					137	136		
Donor: Germany												
Community Oriented Development Programme Strengthening and Capacity	55		8	8	8	1	9		54			
Donor: Germany												
White Helmets Initiative	80								80			
Donor: Germany												
Assistance to Repatriation and Rehabilitation Programme through a National UNV Scheme	895	442	59	501	1,035	103	1,138	1	259	259		
Donor: Germany												
UNV Assistance to Promote Community Based Confidence Building Measures in Georgia		416		416	321	10	331		85	87	(2)	
Donor: Ireland												
Support to UNISTAR Multi sectoral Support to Entrepreneurs and Small to Medium Scale Enterprise Development	43		4	4	38	4	42		5	5		
Donor: Italy												
Italian National Participation in UNV Programme Activities	580	463	55	518	363	37	400		698	698		

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		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: Italy												
UNISTAR		702		702	336	34	370		332			
Donor: Japan												
Multi sectoral Specialist Support in the South Pacific	32		4	4	6		6		30	32	(2)	
Donor: Japan												
UNV Multi sectoral Technical Support for Development and Humanitarian Assistance	21		4	4				(20)	5			
Donor: Japan												
UNV Multi sectoral Technical Support for Development and Humanitarian Assistance (Phase III)	68		1	1				(64)	5			
Donor: Japan												
Technical Support to UNCHR and Other UN Agecies in Humanitarian Assistance for Cambodia	24		2	2				(24)	2			
Donor: Japan												
UNV Technical Support to Relief and Humanitarian Assistance in South east Asia and Other Areas (Phase I)	2								2			
Donor: Japan												
UNV Preparatory Assistance to UNTAC for Elections in Cambodia	13							(11)	2			
Donor: Japan												
UN 100 Day Action Programme for Accelerated Humanitarian Assistance for Somalia	152		15	15	138	9	147		20	21	(1)	

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		Income			Expenditure						a/ Unspent project budget allocations in excess of Fund balances	
Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Contributions	Other	Total	Project costs	Other costs	Total	Refunds to donors and transfers to/ from other funds net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations		a/ Contributions receivable
Donor: Japan												
Assitance to Development of Basic Education in Northwestern Provinces, Cambodia	49		6	6	12	1	13	-	42			
Donor: Japan												
Support to UNV Humanitarian Relief, Rehabilitation and Repatriation Activities	100		11	11	72	4	76	17	52	51	-	-
Donor: Japan												
UN Consolidated Inter-Agency Appeal for Support to UNV Humanitarian Relief in Rwanda	22		2	2	19	1	20	-	4	3	-	
Donor: Japan												
Sustainable Development of Small Island States in the Caribbean	10			-	3		3	-	7	-		-
Donor: Japan												
UNV technical Assistance in Support of Human Rights Activities in Central America	72		8	8	32	2	34	-	46	47	(1)	
Donor: Japan												
Japanese Support to Enhancement of Security of UN Volunteer Specialists	324		31	31	200	13	213	-	142	144	(2)	
Donor: Japan												
UNISTAR Multi sectoral Technical Support for Entrepreneurship and Small and Medium scale Enterprise Development	18		2	2					20			

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Donor: Japan												
Support for Human Relief	1,387		117	117	794	78	872	(110)	522	524	(2)	
Donor: Japan												
UNV Multi-sectoral Support to Humanitarian Emergency, Peace Building, Peace Keeping, Rehabilitation and Reconstruction Activities	194		16	16	130	9	139	(67)	4	-	-	
Donor: Japan												
Development of Basic Education in Northwestern Provinces through the Strengthening of Community Temple Learning Centers	31		4	4	30	2	32		3	-	-	
Donor: Japan												
UNV/Japan Trust Fund for Multi-sectoral Support for Humanitarian Activities	2,379		246	246	1,504	151	1,655	61	1,031	928	-	
Donor: Japan												
Multi-sectoral Support to Humanitarian Assistance, Peace Keeping Operations, Rehabilitation Activities and Sustainable Human Development	3,000		190	190	1,252	142	1,394		1,796	4,821	(3,025)	
Donor: Japan												
Promotion of UNV in Japan	56		13	13	167	17	184	228	109	110	(1)	
Donor: Japan												
UNV Multi-sectoral Support for Humanitarian Assistance Peace Keeping Operation Rehabilitation		3,221	24	3,245	547	55	602	-	2,643	-	-	

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		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: Norway												
Somali Appeal	7				1		1		6			
Donor: Norway												
Support to UN Volunteers Sub Regional Programme for South Asia for Consultancy on Popular Culture Development - NORAD	11		2	2					13			
Donor: Republic of Korea												
Republic of Korea Trust Fund for UNVs Training	567		54	54	170	11	181		440	440		
Donor: Spain												
Support to Volunteer Contribution to Development			11	11	12		12		(1)		(1)	
Donor: Sweden												
Humanitarian Assistance in the Gulf Region	23		2	2	1		1		24			
Donor: Sweden												
UNV Specialists for Humanitarian Relief in the Horn of Africa	38		3	3	24	1	25		16			
Donor: Sweden												
UNV Support to UNCHR Programmes in Central America	(1)				(1)		(1)					
Donor: Sweden												
Programme Drought Emergency Southern Africa (DESA)	60		6	6					66			
Donor: Sweden												
UN Consolidated Inter agency Appeal for Persons Afflicted in the Crisis in Rwanda	9				8	1	9					

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Donor: Sweden												
UN Consolidated Inter-agency Appeal for Support UNV Activities in Rwanda	2	-	1	1	1		1	-	2	-	-	-
Donor: Sweden												
Programme in Central America	2						-	(2)	-	-		
Donor: Sweden												
UNV Programme in Eritrea within the Sepha Appeal	90		9	9	68	4	72	-	27	26	-	
Donor: Sweden												
Support to UNV in Rwanda	228		24	24	22	3	25	-	227	227		
Donor: Sweden												
Support to UNV in Georgia	-	104	4	108	97	10	107	-	1	-		
Donor: Switzerland												
Domestic Development Services (DDS) Regional Programme in Asia	105	(3)	12	9					114	-	-	-
Donor: Switzerland												
Peace Building and Peace Keeping Trust Fund	95		11	11	74	4	78	-	28	29	(1)	
Donor: Switzerland												
UNV Support to Local Resettlement of Demobilized Combatants in Mozambique	43		5	5	43	4	47	-	1		-	-
Donor: The Netherlands												
Netherlands Facility for UNV Support from Central Europe to Developing Countries	288		19	19				(287)	20	-	-	
Donor: The Netherlands												
Netherlands Support for UNV/Domestic Development Services	1							(1)		-	-	

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		Income			Expenditure							
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Donor: The Netherlands												
Inter-Agency Humanitarian Programme for Iraq/Kuwait	3	-	-	-			-	-	3	-		
Donor: The Netherlands												
Deployment of UNV Specialists to Support UN Humanitarian Assistance Activities in Somalia	149		16	16	(1)	-	(1)	-	166		-	-
Donor: The Netherlands												
West-East South Programme Lecturers at the Eduardo Mondlane University	(131)	140	-	140	10	1	11	-	(2)	-	(2)	-
Donor: The Netherlands												
Mozambique University	57		-	-	-	-	-	(58)	(1)	-	(1)	-
Donor: The Netherlands												
Special Emergency Programme for the Horn of Africa (SEPHA) Appeal - 1993	11	-	2	2	(1)	-	(1)	-	14	-	-	-
Donor: The Netherlands												
SNV Support to the UNV Programme in LAO PDR (SUNV)	352	420	29	449	607	39	646	-	155	154	-	-
Donor: The Netherlands												
Netherlands Facility for UNV Support from Central Europe to Developing Countries	912		103	103	1,009	66	1,075	287	227	-	-	
Donor: The Netherlands												
Netherlands Support to UNV DDS for Poverty Eradication	137	737	63	800	756	55	811	59	185	384	-	
Donor: The Netherlands												
Interim Appeal for Burundi	62				46	3	49	-	13	-		-

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		Contributions	Other	Total	Project costs	Other costs	Total					
Donor: The United Kingdom												
United Kingdom/Liberian												
Emergency Relief Trust Fund	11		2	2	(1)		(1)		14			
Donor: The United Kingdom												
Low Income Urban Community												
Participatory Primary												
Environmental Care Project					1		1		(1)		(1)	
Donor: The United Kingdom												
Interim Appeal for Burundi	26		8	8					34			
Donor: The United Kingdom												
UN Inter-Agency Appeal for												
Emergency Assistance for Water												
and Sanitation Projects in												
Yemen	8		1	1	3		3		6			
Donor: The United Kingdom												
Emergency Humanitarian												
Assistance Programme in Rwanda	1				1		1					
Donor: The United Kingdom												
Inter-Agency Appeal for Rwanda	(13)				(14)	(1)	(15)		2			
Donor: United Nations												
Humanitarian Economic												
Assistance Assistance												
Programme to Afghanistan	4	24	2	26	23	3	26		4			
Donor: United Nations												
UNV Support to UN Inter-Agency												
Humanitarian Programme in Iraq	86		10	10					96			
Donor: United Nations/Sweden/Canada												
Youth Partners in Agreement	34		3	3	15	1	16		21			
Donor: USA												
UN Volunteers for Service with												
UNHCR and WFP	9								9			

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 7.1: State of Sub-Trust Funds and Funds Established by the General Assembly and administered by UNDP

Schedule of Income, Expenditure and Fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

Report Run date: Jul 25 2000 08:41AM

		Income			Expenditure						a/ Unspent project budget allocations in excess of Fund balances	
Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Contributions	Other	Total	Project costs	Other costs	Total	Refunds to donors and transfers to/ from other funds net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations		a/ Contributions receivable
Donor: Italy												
UN International Short Term Advisory Resources	358		18	18	248	19	267		109	105		
Donor: Austria												
UNV/Organization for Security Cooperation in Europe (OSCE) Trust Fund for Logistical Assistance to Elections in Bosnia and Herzegovina	6		1	7	7		7					
Donor: Austria												
UN/OSCE Trust Fund for Supervisory Assistance to Elections in Bosnia and Herzegovina	7		9	9	6		6	(10)				
Donor: Austria												
UNV Trust Fund between the Organization for Security and Cooperation in Europe (OSCE) to Assist with the Supervision of Elections in Bosnia and Herzegovina - 1	(54)	54		54								
Donor: Austria												
UNV Trust Fund between the Organization for Security and Cooperation in Europe (OSCE) to Assist with the Supervision of Elections in Bosnia and Herzegovina - 2	(16)	16		16								
Donor: Austria												
UNV Trust Fund between the Organization for Security and Cooperation in Europe (OSCE) to Assist with the Supervision of Elections in Bosnia and												

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 7.1 tate of Sub-Trust Funds and Funds Established by the General Assembly and administered by UNDP

Schedule of Income, Expenditure and Fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

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Name of Sub-Trust Fund	Fund balances as at 1 January 1998	Income: Contributions	Income: Other	Income: Total	Expenditure: Project costs	Expenditure: Other costs	Expenditure: Total	Refunds to donors and transfers to/from other funds net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
Donor: Austria												
UNV Trust Fund between the Organization for Security and Cooperation in Europe (OSCE) to Assist with the Supervision of Elections in Bosnia and Herzegovina - 4	(30)	50		50	1		1	(18)	1			
Donor: Austria												
UNV Trust Fund between the Organization for Security and Cooperation in Europe (OSCE) to Assist with the Supervision of Elections in Bosnia and Herzegovina - 5		98		98	66	42	108	10				
Donor: Austria												
UNV Trust Fund between the Organization for Security and Cooperation in Europe (OSCE) to Assist with the Supervision of Elections in Bosnia and Herzegovina - 6		105		105	79	23	102	18	21			
Donor: Finland												
White Helmets Initiative		29		29					29			
Donor: EU												
Support to Elections in Nigeria		427		427	652	65	717		(290)		(290)	290
Donor: Japan												
UNV Multi-sectoral Assistance to Island Countries in Asia Pacific	7		(1)	(1)	17	1	18	13	1			

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 7.1: State of Sub-Trust Funds and Funds Established by the General Assembly and administered by UNDP

Schedule of Income, Expenditure and Fund balances for the biennium ended 31 December 1999

(Thousands of United States dollars)

Report Run date: Jul 25 2000 08:41AM

Name of Sub Trust Fund	Fund balances as at 1 January 1998	Income: Contributions	Income: Other	Income: Total	Expenditure: Project costs	Expenditure: Other costs	Expenditure: Total	Refunds to donors and transfers to/from other funds-net	Fund balances as at 31 December 1999	a/ Unspent project budget allocations	a/ Unspent project budget allocations in excess of Fund balances	a/ Contributions receivable
Donor: Japan												
UNV Multisectoral Support for Humanitarian Assistance Peace Keeping Operation Rehabilitation		2,933		2,933					2,933			
Sub-Total	16,800	13,347	1,703	15,050	14,799	1,421	16,220	(2)	15,628	11,060	(3,332)	290
								Schedule 7				
Total Sub-Trust Fund	20,972	25,974	1,724	27,698	22,922	1,962	24,884	(2)	23,784	18,353	(7,038)	4,009

The accompanying notes are an integral part of the financial statements.

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 7.2

Funds established by the General Assembly and administered by UNDP

Biennial support budget for the biennium ended 31 December 1999

(Thousands of United States Dollars)

	Revised appropriations 1998 - 1999	1998-1999 Expenditure			Unencumbered balance 31 December 1999	Expenditure 1996-1997
		Disbursements	Unliquidated obligations	Total		
UNITED NATIONS CAPITAL DEVELOPMENT FUND						
Management and Administrative costs	5,047	4,287	117	4,404	643	4,031
Technical support costs	7,817	6,130	122	6,252	1,565	7,339
	12,864	10,417	239	10,656	2,208	11,370
Reimbursable support services costs		3,868	2	3,870	-	3,741
TOTAL	12,864	14,285	241	14,526 (Schedule 7)	2,208	15,111 (Schedule 7)
UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION						
Management and administrative costs	1,046	1,112	-	1,112	(66)	764
Technical support costs	487	197	-	197	290	372
TOTAL	1,533	1,309	-	1,309 (Schedule 7)	224	1,136 (Schedule 7)
UNITED NATIONS DEVELOPMENT FUND FOR WOMEN						
Management and administrative costs	6,038	3,506	89	3,595	2,443	2,387
Technical support costs	4,658	4,240	249	4,489	169	3,778
	10,696	7,746	338	8,084	2,612	6,165
Reimbursable support services costs	-	123	86	209	-	241
TOTAL	10,696	7,869	424	8,293 (Schedule 7)	2,612	6,406 (Schedule 7)

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 7.3: United Nations Volunteers - UNV

Summary of Projects financed under full funding arrangement by Donor

Governments and Institutions

(Thousands of United States dollars)

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Donors	Projects	Balance as at 1 January 1998	Contributions	Expenditure: Project Costs	Expenditure: Other Costs	Balance as at 31 December 1999
Governments						
Australia	INT/92/V16	33	-	1	-	32
Australia - OZVOL	INT/92/V15	(44)	56	62	-	(50)
Belgium	GLO/98/V08	-	1,000	946	-	54
	INT/92/V12	2,227	251	2,658	-	(180)
Cambodia	CMB/96/V01	3	-	3	-	-
Canada	RWA/98/V01	-	171	164	16	(9)
Denmark	INT/96/V01	20	24	21	-	23
Denmark DANIDA	MON/97/V01	11	13	(1)	-	25
Denmark MS	INT/92/V17	(153)	501	207	-	141
Finland	GLO/98/V01	-	36	27	3	6
	INT/92/V11	1,297	1,471	1,239	-	1,529
Germany - ASB Deutschland	CRO/97/V01	29	-	14	-	15
Germany - DED	INT/93/V02	(28)	161	143	-	(10)
Ireland - AFSO	INT/92/V14	173	570	506	-	237
Japan - JOCV	GLO/98/V03	-	312	657	-	(345)
	INT/92/V20	(23)	1,334	1,022	-	289
Mali	MLI/96/V01	25	-	1	-	24
Netherlands - SNV	INT/92/V13	(179)	1,467	923	-	365
Norway	CMB/95/V01	35	28	42	5	16
	INT/92/V21	118	291	280	-	129
Rwanda	RWA/96/V04	(38)	71	37	-	(4)
Spain	GLO/97/V44	1,607	2,594	2,406	-	1,795
	RWA/96/V03	200	(200)	-	-	-
Sweden	INT/92/V09	(3)	894	829	99	(37)
Switzerland	INT/92/V08	20	73	88	-	5
U.S.A	GLO/94/V02	4	-	-	-	4
United Kingdom - VSO	INT/92/V19	(26)	70	41	-	3
United Kingdom, BDD	GRN/97/V01	-	34	60	-	(26)
United Kingdom, DFID	INT/98/V01	-	200	173	19	8
Insititutions						
ADB	GUI/93/V02	(47)	-	-	-	(47)
AMUDA	INT/96/V06	18	76	72	-	22
ASDB	KYR/96/V01	(20)	40	1	-	19
	MAS/92/V01	(32)	31	(1)	-	-
	MAS/94/V01	(4)	6	-	-	2
	MON/93/V02	8	-	-	-	8
	PNG/95/V01	(2)	-	-	-	(2)
Eritrea International School	ERI/95/V03	(3)	-	-	-	(3)
IBRD	MOZ/92/V03	19	-	-	-	19
	MOZ/92/V04	(56)	-	-	-	(56)
	NER/87/V01	41	104	34	-	111
IDA	ANG/94/V01	(76)	-	2	-	(78)
	BEN/89/V01	(109)	-	16	-	(125)
	CHD/91/V01	2	-	-	-	2
	EQG/91/V01	(116)	-	-	-	(116)
	GHA/93/V02	(3)	-	-	-	(3)
	GHA/93/V03	(5)	25	18	-	2

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 7.3: United Nations Volunteers - UNV

Summary of Projects financed under full funding arrangement by Donor Governments and Institutions

(Thousands of United States dollars)

Report Run date: Jul 25 2000 08:44AM

Donors	Projects	Balance as at 1 January 1998	Contributions	Expenditure Project Costs	Expenditure Other Costs	Balance as at 31 December 1999
	GHA/93/V04	6	-	-	-	6
	HAI/86/V01	(20)	-	-	-	(20)
	NER/95/V01	38	-	43	-	(5)
	NER/98/V01	-	346	204	21	121
IFAD	GAB/94/V01	71	36	77	-	30
	MLI/95/V04	57	-	52	-	5
	NER/94/V01	33	29	30	-	32
IITA	MLW/93/V01	(1)	-	-	-	(1)
IOM	ANG/95/V02	(25)	184	174	16	(31)
	EGY/98/V01	-	17	17	-	-
	GLO/94/V01	1	-	-	-	1
	HAI/95/V01	7	-	-	-	7
	MOZ/94/V03	2	-	-	-	2
	RER/99/V04	-	139	32	-	107
IRRI	MAG/95/V01	(3)	3	-	-	-
	MAG/98/V01	-	62	42	-	20
JVC	INT/96/V04	38	-	27	-	11
SIDA (Botswana)	BOT/92/V01	154	-	1	-	153
SVA	INT/96/V05	50	54	47	-	57
UN AIDS	SAF/98/V01	-	20	18	2	-
UNDP Albania	ALB/99/V01	-	-	2	-	(2)
UNDP Bahrain	GLO/97/V40	-	11	-	-	11
UNDP Cambodia		-	-	-	-	-
	CMB/99/V05	-	-	24	-	(24)
	CMB/99/V06	-	117	56	-	-
	GLO/97/V41	-	-	48	-	48
UNDP Mongolia	MON/99/V02	-	17	23	-	(6)
UNDP Rwanda	RWA/99/V05	-	-	21	-	(21)
UNDP Samoa	SAM/99/V01	-	21	15	-	6
UNDP South Africa	SAF/99/V01	-	-	12	-	(12)
UNDP Sri Lanka	SRL/99/V01	-	33	8	-	25
UNDP Vietnam	VIE/99/V01	-	34	19	-	15
UNICEF	HAI/97/V02	60	-	17	-	43
Grand Total		5,391	12,921	13,700	181	4,431

Schedule 7

The accompanying notes are an integral part of the financial statements

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 8: Investments as at 31 December

(Thousands of United States Dollars)

		1999	1997
Regular Resources			
Interest-bearing current accounts		183,395	4,344
Call accounts		-	6,482
Time deposits		372,650	869,871
Bonds and notes		216,835	522,711
Other securities		-	12,462
Total	**statement II.1**	772,880	1,415,870
Other Resources			
Cost-sharing			
Time deposits		408,800	-
Total	**statement II.2**	408,800	-
Trust Funds			
Trust Fund to Combat Desertification and Drought (UNSO)			
Interest-bearing current accounts		89	1
Call accounts		-	160
Time deposits		2,100	21,200
Bonds and notes		5,915	1,998
Total	**schedule 5.2**	8,104	23,359
Trust Fund for the Global Environment Facility			
Interest-bearing current accounts		16	-
Call accounts		-	77
Time deposits		25,210	25,100
Bonds and notes		11,800	35,035
Total	**schedule 5.2**	37,026	60,212
Multilateral fund for the Implementation of the Montreal Protocol			
Interest-bearing current accounts		338	-
Call accounts		-	50
Time deposits		19,990	24,400
Bonds and notes		39,799	107,006
Total	**schedule 5.2**	60,127	131,456
"Capacity 21" Trust Fund			
Interest-bearing current accounts		48	-
Time deposits		22,050	14,620
Bonds and notes		15,000	39,307
Total	**schedule 5.2**	37,098	53,927

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 8: Investments as at 31 December

(Thousands of United States Dollars)

		1999	1997
UNDP Fund for the Programme of Assistance to the Palestinian People			
Interest-bearing current accounts		72	-
Time deposits		33,665	-
Bonds and notes		3,829	-
Total	schedule 5.2	37,566	-
UNDP Trust Fund for Rwanda			
Interest-bearing current accounts		7	-
Time deposits		22,270	-
Total	schedule 5.2	22,277	-
Fonds Fiduciare du PNUD Concernant l'Organisation pour l'harmonisation en Afrique du Driot das Affaires (OHADA TF)			
Time deposits		7,654	934
Total		7,654	934
Perez-Guerrero Trust Fund for Economic and Technical Co-operation among Developing Countries			
Interest-bearing current accounts		108	-
Call accounts		-	126
Time deposits		1,600	-
Bonds and notes		5,206	6,135
Total		6,914	6,261
UNDP Trust Fund for International Partnerships			
Interest-bearing current accounts		11	-
Time deposits		5,040	-
Bonds and notes		659	-
Total		5,710	-
UNDP Trust Fund for the Iraq Programme			
Interest-bearing current accounts		4,975	-
Total	schedule 5.2	4,975	-
Total Trust Funds		227,450	276,149
		statement II.2	

UNITED NATIONS DEVELOPMENT PROGRAMME

BIENNIUM 1998 - 1999

Schedule 8: Investments as at 31 December

(Thousands of United States Dollars)

		1999	1997
Funds			
United Nations Capital Development Fund			
Interest-bearing current accounts		384	9
Call accounts		-	200
Time deposits		67,270	25,720
Bonds and notes		26,464	89,728
Other securities		-	9,575
Total	schedule 7	94,118	125,232
United Nations Revolving Fund for Natural Resources Exploration			
Interest-bearing current accounts		7	-
Call accounts		-	79
Time deposits		4,400	3,300
Total	schedule 7	4,407	3,379
United Nations Fund for Science and Technology for Development			
Interest-bearing current accounts		6	-
Time deposits		-	860
Total	schedule 7	6	860
United Nations Development Fund for Women			
Interest-bearing current accounts		30	162
Time deposits		28,510	14,345
Total	schedule 7	28,540	14,507
United Nations Volunteers Programme			
Interest-bearing current accounts		791	64
Call accounts		-	275
Time deposits		51,430	24,250
Bonds and notes		12,288	12,590
Total	schedule 7	64,509	37,179
Total Funds		191,580	181,157

overview

The accompanying notes are an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

Note 1

Mission Statement

UNDP is part of the United Nations and upholds the vision of the United Nations Charter. It is committed to the principle that development is inseparable from the quest for peace and human security and that the United Nations must be a strong force for development as well as peace.

UNDP's mission is to help countries in their efforts to achieve sustainable human development by assisting them to build their capacity to design and carry out development programmes in poverty eradication, employment creation and sustainable livelihoods, the empowerment of women and the protection and regeneration of the environment, giving first priority to poverty eradication.

UNDP also acts to help the United Nations family to become a unified and powerful force for sustainable human development and works to strengthen international cooperation for sustainable human development.

UNDP, at the request of governments and in support of its areas of focus, assists in building capacity for good governance, popular participation, private and public sector development and growth with equity, stressing that national plans and priorities constitute the only viable frame of reference for the national programming of operational activities for development within the United Nations system.

UNDP resident representatives normally serve as resident coordinators of the operational activities of the United Nations system, supporting, at the request of governments, the coordination of development and humanitarian assistance. Resident coordinators also help to orchestrate the full intellectual and technical resources of the United Nations system in support of national development.

UNDP strives to be an effective development partner for the United Nations relief agencies, working to sustain livelihoods while they seek to sustain lives. It acts to help countries to prepare for, avoid and manage complex emergencies and disasters.

UNDP draws on expertise from around the world, including from developing countries, United Nations specialized agencies, civil society organizations and research institutes.

UNDP supports South-South cooperation by actively promoting the exchange of experience among developing countries.

UNDP supports, within its areas of focus, technology transfer, adaptation, and access to the most effective technology.

UNDP receives voluntary contributions from nearly every country in the world. UNDP seeks to ensure a predictable flow of resources to support its programmes. It provides grant funds through criteria based on universality that strongly favours low-income countries, particularly the least developed.

UNDP is politically neutral and its cooperation is impartial. It seeks to conduct its work in a manner transparent and accountable to all its stakeholders.

UNDP is committed to a process of continuing self-evaluation and reform. It aims to improve its own efficiency and effectiveness to assist the United Nations system in becoming a stronger force for the benefit of the people and countries of the world.

UNDP will continue to support an international development cooperation framework that responds to changing global, regional and national circumstances.

Note 2

Summary of significant accounting policies

The financial period of the Organization is biennial. The present biennium covers the period from 1 January 1998 to 31 December 1999. The financial statements reflect the application of the following significant accounting policies:

(a) Framework

UNDP activities are accounted for in accordance with:

(i) The Financial Regulations formulated by its Executive Board and the Rules established by the Administrator under the above regulations; and

(ii) The United Nations System Accounting Standards as adopted by the Administrative Committee on Coordination (ACC) which are based to a large extent on relevant International Accounting Standards (IAS) issued by the International Accounting Standards Committee. Where differences from the IAS exist, it is mainly because of the essentially non-commercial nature of the Organization's activities. These standards are based on the principles and assumptions outlined below:

a. Going concern, consistency and accrual are fundamental accounting assumptions. Where fundamental accounting assumptions are followed in financial statements, disclosure of such assumptions is not required. If these fundamental accounting assumptions are not followed, that fact should be disclosed together with the reasons;

b. Prudence, substance over form and materiality should govern the selection and application of accounting policies;

c. Financial statements should include clear and concise disclosure of all significant accounting policies which have been used;

d. The disclosure of the significant accounting policies used is an integral part of the financial statements;

e. Unusual items or prior period items should be disclosed if they have a material effect on the financial statements or schedules;

f. If there is a change in accounting policy that has a material effect in the current period, or may have a material effect in subsequent periods, the effect of such change should be disclosed and quantified, together with the reason for the change.

(b) Income

Interest income is accrued as income in the year to which it relates. Interest on interfund balances is credited to the trust fund accounts one year in arrears. All other income is accounted for on a cash basis, with the exception of income accrued on Government letters of credit which are irrevocable.

(c) Expenditure

All expenditure of UNDP is accounted for on an accrual basis, except for that relating to staff entitlements (costs related to Early Separation Programme are however, recorded on an accrual basis) and project components implemented by Governments and Non-Government Organizations (NGOs), which are accounted for on the basis of cash disbursements only. Project expenditure includes unliquidated obligations raised by the executing or implementing agents (other than Governments and NGOs). The following criteria is generally used in applying the accrual basis:

Experts and other project personnel	Costs relating to the period of contractual service falling within the current biennium up to the amount provided in the current budget;
Travel on official business	Costs of travel taking place in the current biennium and travel commencing before the end of the current biennium but extending into the next biennium;
Subcontracts	Payments falling due in the current biennium according to the terms of the contract or payment schedule;
Fellowships	Cost of the fellowship from the anticipated date of commencement of study or start of the current biennium to completion of study or end of the current biennium, whichever is earlier;
Group training	Full cost of any training activity held in the current biennium or beginning in the current and ending in the next biennium;
Equipment	Full cost of contractual agreement or firm order placed with the supplier prior to the end of the current biennium up to the amount provided in the current budget;
Miscellaneous	Cost of events occurred (for example, hospitality), goods or services delivered or firm orders placed for delivery in the current biennium.

Certain flexibility provisions may be applied to expenditure. In any given year, expenditure may exceed an approved project budget for that year by $20,000 or 4 percent thereof, whichever is the higher, provided the executing agent does not incur overall expenditure for that year in excess of 2 percent of the total allocations made to it.

(d) Agency Programme Support Costs and Technical Support Services

Agency Programme Support Costs denote the percentage of total project costs authorized by the Executive Board for payment to the executing and cooperating agents and implementing agents to reimburse them for costs incurred in the administration (technical and otherwise) of UNDP financial projects. These support costs are based on total annual programme expenditure. Sectoral support costs are also paid to certain agents for provision of sectoral advice to Governments and UNDP. The level of sectoral support and the use of its resources for a given cycle are determined by the Executive Board. The Executive Board, by its decisions 95/23 and 96/31 approved new successor programming arrangements and new directives on agency support costs. The major features of the new arrangements are to:

(i) Provide incentives for national execution and ensure that agency technical support services are available to governments, particularly for nationally executed programmes/projects;

(ii) Improve the upstream technical focus of agents and reduce their administrative and operational involvement in programmed project implementation;

(iii) Assign resources that will permit programme countries to exercise increased choice in programme/project implementation;

(iv) The replacement of the cluster rate system by a flat rate not to exceed 10 percent rate of AOS (Administration and Operational Services) reimbursement.

Details of the support costs under the previous arrangements and the new successor arrangements are provided in schedule 2.1.

Reimbursement for AOS also applies to projects financed by UNDP-administered Funds and Trust Funds. UNDP support costs denote the amounts paid to UNDP as reimbursement for costs incurred for the administration of these Funds and Trust Funds.

(e) Biennial Support Budget

The Biennial Support Budget comprises 3 components:

(i) Programme support: expenditure incurred by organizational units (country offices and headquarters) whose primary function is the development, formulation, delivery and evaluation of the programmes of the organization. This will typically include units that provide back-stopping of programmes either on a technical, theoretical, geographical, logistical or administrative basis;

(ii) Management and administration: expenditure incurred by organizational units whose primary function is the maintenance of the identity, discretion and well-being of the Organization. This will typically include units that carry out the functions of executive direction, organizational policy and evaluation, external relations, information and administration;

(iii) Support to operational activities of the United Nations: this comprises four elements which are basically applicable to the Regular Resources activities namely, Country Offices Support, UN Development Group, United Nations Volunteers programme and Inter Agency Procurement Services Office (IAPSO).

The expenditure under the Biennial support budget are recorded in accordance with the principle set out in note 2(c) above.

(f) Exchange rates

Voluntary contributions received from Governments are translated into United States dollars using the United Nations operational rate of exchange in effect on the date of payment.

Exchange adjustments arising from the receipt of contributions from Governments are recorded as increases or reductions to the contributions. All other exchange adjustments are recorded as other income/expenditure.

For the purposes of accounting for assets, liabilities and transactions, and the maintenance of other financial records, other currencies are translated into United States dollars at the United Nations operational rate of exchange in effect on the date of the report or transaction.

(g) Capital expenditure

The costs of purchased or constructed premises as well as major rehabilitation costs are reflected as capital assets. These assets relate mainly to the housing and office premises under the activity of the Reserve for Field Accommodation (RFA) and the office premises purchased for the UNDP/Argentina country office (see notes 13 and 14 below).

The full cost of non-expendable equipment is charged to the UNDP Regular Resources through its biennial support budget or to the appropriate project in the biennium in which it is purchased. An inventory is maintained for all non-expendable equipment (defined as items of equipment valued at $500 or more per unit and with a serviceable life of at least five years and items of equipment included in any special list for which formal inventory records are maintained).

The inventory held at UNDP Headquarters and at UNDP Country Offices as at 31 December 1999 amounted to $18.3 million ($25.6 million in 1997) and $73.8 million ($68.8 million in 1997), respectively. Assets capitalized are not amortized nor depreciated.

(h) Operational Reserve

The Executive Board, at its annual session in 1999 approved a change in the basis for calculation of UNDP's operational reserve for Regular Reserves which is now the sum of the following components:

i) Income component. The equivalent of 10 per cent of the average of the annual voluntary contributions received over the most recent three years, rounded to the nearest $1 million;

ii) Expenditure component. The equivalent of 2 percent of the average total annual expenditure incurred over the most recent three years, rounded to the nearest $1 million;

iii) Liability and structural. The equivalent of 10 percent of the sum of the income and expenditure components, rounded to the nearest $1 million.

iv) Cash-flow component. The equivalent of the cash needs for one month, calculated as one twelfth of the total expenditure of the most recent year, rounded to the nearest $1million.

In addition, the Executive Board approved the establishment of an operational reserve with UNDP's extrabudgetary account for other resource activities. The calculation to arrive at the level of reserve, follows the same basis as that of the regular reserve.

(i) Presentation

By its decision 97/6 the Executive Board approved the harmonization of the Budget presentation format submitted by UNDP, UNICEF and UNFPA. Therefore, the financial reports are presented in a way consistent with this decision.

The main features of this harmonization involve activities which are:

(i) Regular Resources activities: Activities financed from Voluntary contributions, donations from non-governmental sources and related interest earnings and miscellaneous income;

(ii) Other Resources activities: activities financed from resources other than Regular Resources, which are received for a specific programme purpose (Cost-sharing, Government Cash Counterpart Contributions (GCCC), Trust funds established by the Administrator and activities from Management Service Agreements (MSAs);

(iii) For accounting presentation purposes the reimbursable support services and other special activities, namely, Junior Professional Officers (JPOs), Reserve for Field Accommodation (RFA), etc. are included in the Other Resources activities;

(iv) Funds administered by UNDP: Activities of the Funds established by the General Assembly and administered by UNDP.

The nature of some expenditure was redefined as explained in note 2(e).

Other reclassifications and changes in presentation were made to better reflect the nature of the operations and/or to better comply with the accounting standards. These changes affected mainly:

(i) Cost-sharing activities: Interest earned and support costs charged by the Regular Resources activities to Cost-sharing activities are reflected through the Statement of Income and Expenditure. In the past these transactions were reflected directly as transfers to UNDP Extrabudgetary income;

(ii) Reimbursable support services for Funds and Trust Funds: Formerly termed " Extrabudgetary Activities" , the Reimbursable support services are now presented as part of the Funds and Trust Fund's Income Statement with the ending balance reflected in the " Unexpended Resources balance" . In prior years, the net balance of these activities was shown between the Liabilities section

(iii) Management Service Agreements(MSAs) for Funds and Trust Funds: are now presented as part of the Funds and Trust Fund's Income Statement with the ending balance reflected in the " Unexpended Resources balance" . In prior years, the net balance of these activities was shown between the Liabilities section and the Unexpended Resources balance section.

(iv) Full funding arrangements and United Nations Joint Venture activities at the United Nations Volunteers Programme (UNV): These activities presented as part of the income statement with the ending balances reflected in the " Unexpended Resources Balance" . In prior periods, the net balance of these activities was reflected in the balance sheet. The full funding arrangements net balance was part of the other accounts receivable and deferred charges, while the United Nations Joint Venture activities net balance was shown as other liabilities.

(v) Management source agreement Funds and Trust Funds:

A detailed schedule is provided for each of the following:

- UNV's fully funded agreements with Governments and Institutions, by country and by project;
- Trust Funds' Management Service Agreements;
- IAPSO's trading activities.

(j) Non-consolidated financial statements

The results of the operations reflected in statements I through IV are presented on the basis of the three major components explained above in note 2(i).

The totals of each major component are shown only for the purpose of reflecting the component's aggregate data. Identified inter-activities/interfund balances (within each component) in the balance sheet have been eliminated in computing these totals. Other interfund transactions are not eliminated. Therefore, these aggregates are not intended to, and do not, reflect consolidated amounts, which would have required elimination of all interfund transactions and balances within each component.

(k) Determination of certain balance sheet items

Due to the nature of the activities, certain transactions pertaining to Cost-sharing, Government Cash Counterpart Contributions (GCCC), etc. are commingled in the Regular Resources accounts (Investments - deferred charges - Receivables - Payables, etc.). Whenever possible the balances of these accounts as at 31 December 1999, and the comparatives, have been apportioned essentially on the basis of the best available information. The accounts not apportioned have been reflected in the interfund account balance.

Note 3

Contributions receivable and in-kind contributions and related party transactions (off-balance sheet)

(a) (i) Contributions of Governments and other contributors - Regular Resources

Contributions due from Governments and other contributors for current and prior years that have not been paid as of 31 December 1999 are as follows:

	Voluntary Contributions	*Voluntary Contributions for the Special Measures Fund for the Least Developed Countries*	Total
	(thousands of United States dollars)		
1995 and prior year	5 465	-	5 465
1996	855	-	855
1997	4 159	-	4 159
1998	7 955	-	7 955
1999	18 956	-	18 956
Total	**37 390**	-	**37 390**

(ii) Contributions of Governments and other contributors - cost-sharing and government cash counterpart contributions

At 31 December 1999, the following amounts were receivable for Cost-sharing and GCCC projects. These amounts are to be rephased to future years.

	(thousands of United States dollars)
Cost-sharing	248 391
Government cash counterpart contributions	5 252
Total	**253 643**

The amounts in respect of Cost-sharing and GCCC are based on budgeted expenditure for the year and will be adjusted on the rephasing of these budgets.

(b) In-kind contributions

In 1996, Hewlett Packard Company (a leading manufacturer of computing, communications and measurement products) donated a wide range of new computing equipment, including enterprise servers, personal computers, printers and other peripherals to the UNDP's Sustainable Development Networking Programme (SDNP). The value of this contribution, estimated at $1.1 million, has not been recorded in the accounts.

These products are intended for direct use in various projects in developing countries. Sustainable Development Networking Programme links bodies, universities, Non-Governmental Organizations, the private sector and individuals in developing countries for the purpose of exchanging critical information on sustainable human development.

As part of UNDP's agreements with the recipient countries, the governments of these countries are to provide UNDP with accommodations free of charge. These in-kind contributions received during the biennium 1998-1999 are estimated at US$16.5 million. These estimates are based on the market value, if available, or the best estimates from the government or UNDP country offices.

(c) Related party Transactions

During the current biennium, UNDP in partnership with Cisco Systems, Inc. KPMG LLP and Akamai Technologies Inc. and with the support of other partners launched a long-term initiative to use the power of the Internet to help break the cycle of extreme poverty globally. Publicized by high profile rock concerts, Netaid.org will use the Internet's interactive capabilities to draw attention to the issue of extreme poverty, and to offer Internet users the possibility of becoming directly involved. Netaid.org is being managed for UNDP by the Netaid.org Foundation, an independent entity that enjoys not for profit (501 c3) status in the United States. Ownership of the foundation is shared by UNDP and Cisco Systems. UNDP's contribution to the foundation comes mainly in the form of an in kind contribution of personnel.

Note 4

Unidentified receipts

Monies received, but not identified as to purpose, are held as accounts payable until identified. At 31 December 1999, $19,557,223 ($ 13,401,874 in 1997) in unidentified receipts were held as accounts payable. This amount is included in note 12(b).

Note 5

Accounting linkage - Voluntary contributions and contributions to local office costs

At its thirty-first session in 1984, the Governing Council authorized the establishment of a country-specific accounting linkage between voluntary contributions and contributions to local office costs in such a manner that voluntary contributions are first accounted for against any shortfall in contributions to local office costs. The total amount of $24,465,837 ($12,554,775 in 1997) which was transferred from voluntary contributions in respect of such linkage is included in the $51,396,485 ($44,167,892 in 1997), figure in schedule 3 and shown in note 6.

Note 6

Income received for the Biennial Support Budget - Regular Resources

The amount of $51,396,485 ($44,167,892 in 1997) shown in schedule 3 as income received for the Biennial Support Budget consists of host Government cash contributions to local office costs of $38,746,118 ($40,120,346 in 1997) reimbursement of tax charges of $10,996,145, UNV income of $1,174,519 and other income of $479,703 ($4,047,546 in 1997).

Host Government contributions consist of:

	1999	1997
	(thousands of United States dollars)	
Government local office contributions	25 276	27 566
Transfers from voluntary contributions	24 466	12 555
Total	**49 742**	**40 121**

Note 7

Interest income - regular resources

The amounts shown in statement I.1 consist of:

	1999	1997
	(thousands of United States dollars)	
Interest from Investments	166 001	166 988
Interest on construction loans	21	98
Interest on the Medical Insurance Plan		-
Interest transferred to:		
Cost-sharing	(49 486)	(33 102)
Trust Funds	(19 794)	(28 805)
Management service agreements	(17 262)	(12 059)
Reimbursable support services	(11 192)	(6 000)
Total	**68 288**	**87 120**

Note 8

Cash - Regular Resources

The amounts shown in statement II.1 consist of:

	1999	1997
	(thousands of United States dollars)	
Cash in Headquarters bank accounts	44 647	18 391
Cash at country offices	(16 421)	(5 992)
Transfer from regular resource investments	-	2 201
Subtotal	**28 226**	**14 600**
Less: provision for depreciation of accumulating non-convertible currencies	14 600	14 600
Total	**13 626**	-

The cash balance at country offices takes into account the uncleared checks of $299,260,685 ($238,863,596 in 1997). There is an automatic replenishment from the headquarter's current and investment accounts once these checks are cashed.

Note 9

Government letters of credit

Government letters of credit shown in statement II.2 were made to UNDP in respect of cost-sharing for the following activities:

	1999	*1997*
	(thousands of United States dollars)	
Rehabilitation, reconstruction and development in Tajikistan	700	100
Bi-communal development programme	3 322	
Support to the promotion of human rights in Ukraine	194	
Unspecified	240	
Lutte contre l'epidemie de cholera	25	
Reinstallation and reintegration of refugees	25	
Assistance to government aid management and aid coordination		30
Promotion of community-based peace and confidence building measures, Tajikistan		150
Plan of action for the reinstallation and reintegration of refugees and formerly displaced persons		25
Establishment of the early warning system in Bulgaria		52
Total	**4 506**	**357**

As the letter of credit is irrevocable, the amount is presented with cash and investments in statement II.2 and is included in Cost-sharing contributions as presented in statement I.2.

Note 10

Valuation of cash and investments at 1 January 2000 United Nations operational rate of exchange

In accordance with the accounting policy disclosed in note 2(f), cash of the Regular Resources and IAPSO totalling $13,626,628 as reported in statement II, and investments totalling $1,181,679,200 as reported in statement II and schedule 8 include the United States dollar equivalent of cash and investments in other currencies using the United Nations operational rate of exchange established on 1 December 1999 and in effect on 31 December 1999. At the United Nations operational rate of exchange in effect on 1 January 2000, which more closely reflects the market rate of exchange as at 31 December 1999, the value shown in the accounts would have decreased by approximately $302,087 and $40,172 for cash and investments, respectively.

Note 11

Write-offs and provision for asset write-down

In the normal course of business, advances were made to Governments to enable implementation of Nationality Executed (NEX) projects. Amounts adding up to $4,118,851 have been written off in these financial Statements as folows:

	(thousands of United States dollars)
Regular Resources	2 053
United Nations Fund for Sudano-Sahelian Activities	1 400
United Nations Development Fund for Women	171
UNDP Trust Fund for the Developing Countries Afflicted by Famine and Malnutrition	306
Australian Development Assistance Bureau (ADAB) /UNDP Programme Trust Fund	49
UNDP Trust Fund for Assistance to Refugee-Related Development Projects in Africa-ICARA II	15
United Nations Fund for Science and Technology	
For Development	133
UNDP Energy Account	(3)
UNDP Trust Fund for Namibia	12
Other	(17)
Total	**4 119**

These amounts written-off were long outstanding advances made to governments for nationally executed projects, which are considered unrecoverable.

The amount on schedule I comprises	(thousands of United States dollars)
NEX write-off to Regular Resources (see above)	2 053
Other write-offs - core activities	248
Total	2 421

The provision of $14,600,000 was established during the biennium 1996-1997 to reflect the over valuation of the Cuban Peso against the UN rate of exchange.

Note 12
Accounts Receivable and Payable

(a) Other accounts receivable and deferred charges

The amounts shown in statements II.1 and II.2 consist of:

	1999	*1997*
	(thousands of United States dollars)	
Accounts receivable	36 337	10 569
Current account with agencies	25 244	2 525
Miscellaneous deferred charges	6 834	558
Other account receivables	7 361	25 016
Accounts receivable from agencies	10 040	-
Sub-total	**85 816**	**38 669**
Less: Provision to reduce the book value of accounts receivable	305	305
Total	**85 511**	**38 364**
This total is reported as follows:		
Regular resources, statement II.1	33 030	19 839
Cost-sharing, Statement II.2	52 481	18 525
Total	**87 511**	**38 364**

The provision, established in 1987 to reduce the deficit in operating the FAO fisheries vessel pool, was reduced to reflect the current value of the receivable.

(b) Accounts payable

The amounts shown in statements II.1 and II.2 consist of:

	1999	1997
	(thousands of United States dollars)	
Accounts payable	66 274	34 212
Payment assignment	7 270	-
Deferred payables	2 335	2 239
Clearing account	-	339
Cash received and awaiting clarification	19 557	13 614
Other Liabilities	2 843	29 107
Total	**98 279**	**79 511**
This total is reported as follows:		
Regular resources, statement II.1	45 902	45 706
Cost-sharing, statement II.2	52 377	33 805
Total	**98 279**	**79 511**

Note 13

Reserve for Field Accommodation (RFA)

The RFA was established in 1979 at a maximum level of $25 million to construct housing for United Nations international staff in the country offices. In 1989 the Governing Council authorized UNDP to expand the scope of the Reserve to include financing for the United Nations System Common Premises, intended to accommodate the office needs of the agencies of the Joint Consultative Group on Policy.

The cumulative operating deficit of $5.4 million shown in schedule 6 is derived mainly from the operations of housing rental and offices premises.

As at 31 December 1999, the excess of total expenditure over the authorized level of reserve under the RFA activities is $23,818,000 ($27,626,292 in 1997).

The schedule 6.3 on RFA activities now includes each of its elements: Reimbursable Support Services, Office Premises and Housing. The split of the balance sheet items is essentially based on the best available information: the market value, if any, the architect reports, the various biddings for the constructions, etc. The income statement data for both the Housing and the Office Premises are based on the nature of the actual transactions.

The income statement includes write-offs of $17,637 in rehabilitation costs which are irrecoverable. This amount is included as part of other expenditure in schedule 6. In addition $309,485 receivable from the Housing Appliance Rental Scheme which had been provided for in the prior biennium, has been written-off in current biennium.

The long term receivable of $953,370 ($1,126,710 in 1997) shown in schedule 6.3 represents the amount receivable over the current biennium resulting from the sale of housing apartments in Cape Verde. The sale price was $1,300,050 and is payable in fifteen annual installments of $86,670. The current portion ($86 670) is included in Other accounts receivable.

(a) Prior Year adjustment

A portion of rental income is applied against Capitalized Rehabilitation Costs. In previous years $2,020,272 in such rental income was taken as income on housing operations. In 1998, a prior year adjustment has been processed to transfer this income from the Housing Account fund balance, and to reduce Capitalized Rehabilitation Costs.

Note 14

Office premises purchased for UNDP Country Office in Argentina

In October 1996, an office space was purchased for the Country Office in Argentina. The cost of this acquisition amounted to $1,570,000 and was financed by:

(a) Appropriation from Country Office's Reimbursable support services resources for $630,694.

(b) Borrowing from the cost-sharing resources for $939,306. This interest-free borrowing is reimbursable from the Country Office extrabudgetary resources. As at 31 December 1998, the full amount of the borrowing has been paid off.

This asset which has been exceptionally capitalized is shown under the Regular Resources.

Note 15
Reserves for staff separations and transitional measures and United Nations House Programme

(a) Reserve for staff separations and transitional measures

The Governing Council, at its fortieth session in 1993, approved the use of the 1992-1993 budget savings to support a smooth implementation of the 1994-1995 budget strategy. Accordingly, the reserve for transitional measures and the reserve for budgeted separations were established with the initial amounts of $7,200,000 and $6,359,000 respectively.

Based on the same principle, the Executive Board, at its third regular session in 1995, approved additional resources to be set aside for the implementation of the 1996-1997 budget strategy. In accordance with this decision, $8,400,000 and $14,000,000 were transferred from the UNDP's Regular Resources to the reserve for transitional measures and the reserve for budgeted separations.

The Executive board, at its first regular session in 2000, approved the establishment of two reserves for separations and transitional measures amounting to $7.0 million and $1.5 million respectively.

The unexpended balance of the reserve for transitional measures shown in statement II.1 consists of:

	Balance at 1 January 1998	*Payments/adjustments made during the biennium*	*Balance at 31 December 1999*
	(thousands of United States dollars)		
Balance in relation to the 1994-1995 budget strategy	84	(84)	-
Balance in relation to the 1996-1997 budget strategy	50	(50)	-
Balance in relation to the 2000-2001 budget strategy	-	1 500	1 500
Total	**134**	**1 366**	**1 500**

The reserve for budgeted separations shown in statement II.1 consists of:

	Balance as at 1 January 1998	*Payments adjustments made during the biennium*	*Balance as at 31 December 1999*
	(thousands of United States dollars)		
Balance in relation to the 2000-2001 budget strategy	-	7 000	7 000
Total	**-**	**7 000**	**7 000**

Disbursements against these reserves are in addition to expenditure incurred against appropriations approved by the Executive Board in the recurrent Biennial Support Budget.

(b) United Nations House Programme

At its first regular session in 2000, the Executive board approved the establishment of a capital reserve in the amount of $3.8 million dollars as a charge from UNDP general resources. This amount will cover relocation costs, such as renovations, furniture, fittings and moving costs.

	Balance as at 1 January 1998	Payments/adjustment during the biennium	Balance as at 31 December 1999
	(thousands of United Stated dollars)		
Balance in relation to the 2000-2001 Budget strategy	-	3 800	3 800
Total	**-**	**3 800**	**3 800**

Note 16

Unspent allocations and future commitments

(a) Unspent allocations

Unspent allocations issued against UNDP's resources for programme expenditure (excluding National Execution) as at 31 December 1999 amount to approximately $344 million ($702 million in 1997), against which forward commitments reported by executing agencies are approximately $12 million ($56 million in 1997).

(b) Leasehold commitments

Future leasehold commitments against the Regular Resources as at 31 December 1999 amount to $66.7 million ($75.8 million in 1997) for Headquarters and $52.7 million ($6.7 million in 1997) for Country Offices. The figures for the country offices include longterm leases signed for the following period:

Country Office	Lease end date
Angola	23 June 2080
Ethiopia	04 October 2077
Jordan	30 November 2079
Moldova	17 July 2093

(c) End-of-service and post-retirement liabilities

Consistent with Note 2(c) above, the United Nations Development Programme has not specifically accrued for liabilities for after-service health insurance costs or liabilities for other types of end-of service benefits, which will be owed when staff members leave the Organization. The disbursements incurred in the financial period when staff members terminate are reported as current expenditures.

(i) End-of-service liabilities

Cost relating to annual leave dues as at 31 December 1999 are estimated at $22.92 million.

The contingent liability resulting from the termination benefits that UNDP will be required to pay to its staff members in future years is estimated as at 31 December 1999, to be $18,944,583 in respect of repatriation grants and $4,980,110 in respect of termination indemnity.

(ii) Post-retirement benefits

In order to gain a better understanding of the financial dimensions of the Organization's liabilities for after-service health insurance, a consulting actuary was engaged in 1999 to carry out an actuarial valuation of post-retirement health insurance benefits as at 1 January 1999. On the basis of that study, it has been estimated that United Nations Development Programme liability as at 31 December 1999 for after-service health insurance benefits covering all participants, is as follows:

	Present value of future benefits	Accrued liability
	(thousands of United States dollars)	
Gross Liability	383 429	297 420
Offset from retiree Contribution	70 549	56 078
Net Liabilities	**312 880**	**241 342**

(iii) The present value of future benefits figures shown above are the discounted values of al benefits to be paid in the future to all current retirees and active employees expected to retire in the future. The accrued liabilities represent those portions of the present values of benefits that have accrued from the staff member's dates of entry on duty until the valuation date. Active staff members' benefits are fully accrued when the staff members have reached their dates of full eligibility for benefits.

(d) Pension benefits

UNDP is a member organization participating in the United Nations Joint Staff Pension Fund (UNJSPF) which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits. The Pension Fund is a funded defined benefit plan. The financial obligation of the organization to the UNJSPF consists of its mandated contribution at the rate established by the United Nations General Assembly together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date.

(e) Tanzania air crash

On 5 December 1980, four UNDP staff members died in an air crash in the United Republic of Tanzania. As a result, UNDP received insurance proceeds totaling $623,948 from which it pays compensation to the beneficiaries of the air crash victims. The remaining balance of these proceeds was fully utilized in 1996. Since then compensation payments are reported as expenditure in the year the payments are made. Payments of $129,302 were made during current biennium.

Note 17

Unliquidated obligations (ULOs)

The balance of ULOs shown in statement II consist of:

	1999	1997
	(thousands of United States dollars)	
Executing agents	84 234	104 184
Biennial support budget	30 400	23 569
Reimbursable support services, RFA and Special Activities	5 841	3 423
Total	**120 475**	**131 176**
Regular resources	64 434	68 368
Cost-sharing	50 200	59 385
Reimbursable support services	4 498	3 348
Reserve for Field Accommodation	24	30
Special activities	1 319	45
Total	**120 475**	**131 176**

Note 18

Outstanding commitments of the Reserve for Field Accommodation

Unpaid invoices and commitments to contractors and sub-contractors against the Reserve for Field Accommodation total approximately $1.8 million as at 31 December 1999 (1997: $2.7 million). These invoices are not accrued in the current biennium.

Note 19
Inter-Agency Procurement Services Office (IAPSO)

(a) Accounts payable

The amount of $14,530,733 ($10,423,722 in 1997) shown in schedule 6.4 represents advances received relating to direct procurement.

(b) Biennial support budget

IAPSO core support budget of $3,493,100 ($3,876,825 in 1997) is included in the amount for regular resources in the biennial support budget and detailed in schedule 3.

(c) Basis of accounting

IAPSO direct procurement activity is accounted for on a cash basis.

(d) Trading activities

The trading activities of IAPSO for the biennium 1998-1999 generated gross revenue of $137.2 million ($119.6 million in 1997). Based on the activities IAPSO earned procurement handling fees and other fees amounting to $7.1 million ($5.7 million in 1997) as shown in schedule 6.4.

Note 20
Special activities (schedule 6.5)

(a) Support to the UN Resident Coordinator Activities (SRC)

The SRC activities are to support:

(i) collaborative programming;

(ii) follow-up to major international conferences;

(iii) United Nations system public information activities;

(iv) review and planning of United Nations system shared services and common premises;

(v) special assignments.

For the biennium ended 31 December 1999, total expenditure incurred with regards to these activities amounted to $690,504.

The portion of the SRC funded from specific contributions is shown under Special Activities. The remaining portion of the SRC $21,033,368 is funded by the core resources and therefore presented under the Regular Resources in statement 1.1

(b) Unified coding system

Up to 31 December 1995, the net resource available ($400,000) for this special activity was included in the accounts payable. It was reclassified in Special Activities to better reflect the nature of the operations.

(c) Others

Other various activities have also been reclassified from Accounts Payable to Special Activities (e.g., Centre of Experimentation - SEED).

Note 21
Amounts due to/from Funds and Trust funds administered by UNDP

UNDP receives contribution for, and makes advances to, Funds and Trust Funds that it administers. The balance of these transactions at 31 December 1999 is shown in schedule 7 for Funds and statement II for Trust Funds.

Note 22
Trust Fund to Combat Desertification and Drought (UNSO)

(a) Mandate and goals

To address the effects of the severe drought in the Sahel region in Africa in the early 1970s, the Secretary-General of the United Nations in 1973 established the United Nations Sahelian Office, under the acronym UNSO. In 1977, UNSO was placed under UNDP's administration. In 1978, its mandate was extended to assist, on behalf of UNEP, the countries of the Sudano-Sahelian region in their implementation of the 1977 World Plan of Action to Combat Desertification.

In Agenda 21 adopted at UNCED in 1992, UNSO was explicitly called upon to assume a major advisory role and participate effectively in the implementation of Agenda 21 provisions related to combating drought and desertification, and to land resource management, and to share its experience in this respect with all relevant countries, in particular those in Africa, with special attention to countries most affected or classified as least developed countries (ch. 38.27). The UNDP Governing Council and the General Assembly in June and December 1993 respectively endorsed this extension of UNSO's mandate. In 1995, the UNDP Executive Board and ECOSOC endorsed the renaming of UNSO to Office to Combat Desertification and Drought, while retaining its familiar acronym.

In response to the Executive Board's call for greater functional integration of UNSO into UNDP, the Administrator in 1994 brought together UNSO and several other environment-related units in the new Sustainable Energy and Environment Division (SEED). Today, UNSO may be characterized as a Special Programme in dryland management, desertification control and drought mitigation. Its principal goals are to spearhead UNDP's support to affected programme countries in the implementation of the United Nations Convention to Combat Desertification (UNCCD), and to serve as the principal global advocate for an integrated approach to dryland degradation and poverty eradication in conformity with UNDP's broad Sustainable Human Development agenda.

Within a broad programme approach UNSO, *inter alia*:

- provides technical support and/or catalytic funding to the launching of the participatory and integrated processes called for under the UNCCD to formulate and implement National, Sub-regional and Regional Action Programmes (NAP/SRAP/RAP) to combat desertification and promote sustainable livelihoods in the world's drylands;

- develops and tests new, innovative concepts and approaches to policy and programme formulation in dryland management and on cross-cutting issues critical for successful implementation of the CCD and facilitates access to these through technical publications training and capacity-building;
- facilitates documentation dissemination, and exchange of knowledge, experience and best practices within the framework of selected thematic programme areas (water management, local level natural resource management, pastoral development, environmental information systems (ELS), etc.);
- promotes awareness on dryland development issues and facilitates mobilization of resources and partnership building with relevant intergovernmental and nongovernmental agencies to avoid duplication of efforts and to optimize the use of resources available for the implementation of the Convention CCD.

(b) Combined accounts

In light of the above evolution in UNSO's mandate, the Administrator in 1995 established a Trust Fund to Combat Desertification and Drought. Appropriate steps were taken, including consultations with the UN legal services, to proceed towards a consolidation of the Trust Fund under the former mandate with the new Trust Fund.

In the meantime, the activities of these two Funds have been combined as shown in schedule 5.2. The status of income received and expenditure incurred for the current biennium are as follows:

	United Nations Trust Fund for Sudano-Sahelian Activities	*Trust Fund to combat Desertification and Drought*	*Total*
	(thousands of United States dollars)		
Unexpended resources as at 1 January 1998	14 509	8 863	23 372
Income received	1 691	5 008	6 699
Expenditure incurred	(9 130)	(6 270)	(15 400)
MSA interfund Transfers	(101)	82	(19)
Refunds to donors	(120)		(120)
Unexpended resources as at 31 December 1999	**6 849**	**7 683**	**14 532**

(c) Unliquidated obligations (ULOs)

The balance of ULOs shown in schedule 5.2 consist of:

	1999	1997
	(thousands of United States dollars)	
Executing agents	145	238
Biennial support budget	85	29
UNDP/UNEP joint Venture activities	-	-
Total	**230**	**267**

(d) Reimbursable support services

The balance of reimbursable support services (formerly extrabudgetary) of $44,250 as at 31 December 1999 was transferred to Regular Resources in accordance with the instruction from UNSO's management.

(e) Unspent allocations and Unexpended resources

The amounts shown in schedule 5.2 consist of:

	Unspent allocations		*Unexpended resources*	
	1999	1997	1999	1997
	(thousands of United States dollars)			
Regular Resources	2 538	3 668	6 427	11 831
Cost-sharing	5 030	8 590	5 432	6 842
Sub-trust funds	1 977	4 092	2 560	4 283
Management Service Agreements	-	-	113	416
Total	**9 545**	**16 350**	**14 532**	**23 372**

Unspent allocations exceeding cost-sharing resources of $402 317 were issued on the basis of contributions receivable totaling $258 158. This amount is included in the contributions receivable amount of $292 585 shown in note 35.

(f) Write-offs

In the normal course of business, advances were made to Governments to enable implementation of Nationality Executed (NEX) projects. Amounts adding up to $1,400,479 have been written off in these financial statements and are included in other expenditure in schedule 5.2.

Note 23
Trust Fund for the Global Environment Facility

(a) Mandate and goals

The Trust Fund for the Global Environment Facility (GEF) was established for the receipt and administration of funds to finance UNDP's preinvestment studies, technical assistance and training for global environment policies, programmes and projects. The agreement between UNDP and the World Bank, as Trustee for the Global Environment Facility, was signed on 29 April 1991. As stated in the "Instrument for the Establishment of the Restructured Global Environment Facility":

- The GEF shall operate, on the basis of collaboration and partnership among the Implementing Agencies, as a mechanism for international cooperation for the purpose of providing new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits in the following focal areas:

  (i) climate change
  (ii) biological diversity
  (iii) international waters
  (iv) ozone layer depletion.

- The agreed incremental costs of activities concerning land degradation, primarily desertification and deforestation as they relate to the four focal areas shall be eligible for funding. The agreed incremental costs of other relevant activities under Agenda 21 that may be agreed by the Council shall also be eligible for funding insofar as they achieve global environmental benefits by protecting the global environment in the four focal areas.

- The GEF shall ensure the cost-effectiveness of its activities in addressing the targeted global environmental issues, shall fund programs and projects which are country-driven and based on national priorities designed to support sustainable development and shall maintain sufficient flexibility to respond to changing circumstances in order to achieve its purposes.

UNDP will play the primary role in ensuring the development and management of capacity building programs and technical assistance projects. Through its global network of field offices, UNDP will draw upon its experience in human resources development, institutional strengthening, and non-governmental and community participation to assist countries in promoting, designing and implementing activities consistent with the purpose of the GEF and national sustainable development strategies. Also drawing on its intercountry programming experience, UNDP will contribute to the development of regional and global projects within the GEF work program in cooperation with the other Implementing Agencies.

(b) Interest income

In August 1996, an investment account was established for this trust fund. Interest income earned from these investments are recorded to the general resources in the same year it is earned. This differs from the policy in prior periods where interest earned from investments commingled with UNDP resources are credited to the trust fund accounts one year in arrears. However, interest income on Sub trust funds will continue to be credited one year in arrears.

(c) Unliquidated obligations (ULOs)

The balance of ULOs shown in schedule 5.2 consist of:

	1999	1997
	(Thousands of United States dollars)	
Executing agents	7 425	8 423
Biennial support budget	1 125	206
Total	**8 550**	**8 629**

(d) Unspent allocations and Unexpended resources

The amounts in schedule 5.2 consist of:

	Unspent allocations		*Unexpended Resources*	
	1999	*1997*	*1999*	*1997*
	(thousands of United States dollars)			
Regular Resources	301 922	152 146	12 500	29 493
Cost-sharing	1 806	1 512	13 032	6 271
Sub trust funds	1 127	2 896	1 949	3 455
Management Service Agreement	-	-	154	-
Total	**304,855**	**156 554**	**27 635**	**39 219**

The unspent allocations for Regular Resources include $30,861,440 allocated to the Small Grants Programme. Allocations exceeding Regular Resources in the amount of $291,834,131 were issued on the basis of letters of commitments from the World Bank as Trustee of the GEF Trust Fund confirming allocations of $700,123,500 to UNDP. The amounts receivable under this mechanism are not included in the contributions receivable shown under note 34. Funds are remitted by the Trustee as required by UNDP/GEF. To date, a total of $421,974,745 has been received.

Note 24
Multilateral Fund for the Implementation of the Montreal Protocol

(a) Mandate and goals

The stratospheric ozone layer prevents most ultraviolet radiation from reaching earth. This ozone layer is under intense attack by chloroflorocarbons (CFCs), halons and other ozone-depleting substances (ODS) used as refrigerants, foaming agents, aerosol propellants, fire retardants, solvents, and fumigants. The depletion of the ozone layer allows more radiation to reach the earth raising the incidence of skin cancer and cataracts, and affecting agriculture, fisheries and biological diversity.

The Montreal Protocol (1987) sets out the time schedule for freezing and reducing consumption of these ODS. Developed countries have already eliminated most of these ODS consumption; developing countries have a grace period. A Multilateral Fund was established under the Montreal Protocol to assist developing countries eliminate these ODS; it is funded by developed countries (since they had contributed the most) to the ozone layer depletion problem. The Multilateral Fund during 1991-1996 approved $530 million in projects to eliminate 77,000 ODS tonnes. An additional $540 million has been approved for the three-year period 1997-1999.

UNDP is one of four implementing agencies under the Multilateral Fund (with UNEP, UNIDO, and the World Bank). UNDP assists 60 countries (51 under the Multilateral Fund and 9 under the GEF) to implement national programmes to phase out CFCs, halons and other ODS through:

(i) national country programme formulation
(ii) technical training and demonstration projects
(iii) institutional strengthening/national capacity building
(iv) technology transfer investment projects.

UNDP helps governments and industry design, implement, monitor and evaluate ODS phase out projects and programmes in the aerosols, foams, solvents, refrigeration/air-conditioning and fire-extinguishing sectors, covering large, medium and small-scale enterprises. UNDP has also started working on demonstration projects to test alternatives to the use of methyl bromide - a pesticide which contains CFCs, in agricultural uses. The programme comprises a mix of UNOPS-executed (80 per cent) and nationally executed (20 per cent) activities. UNDP is also assisting Australia, Denmark, Sweden and the USA implement certain bilateral programmes under the Multilateral Fund.

(b) Interest income

In December 1996, an investment account was established for the trust fund. Interest income earned from these investments are recorded to the general resources in the same year it is earned. This differs from the policy in prior periods where interest earned from investments commingled with UNDP resources are credited to the trust fund accounts one year in arrears. However, interest income on Sub trust funds will continue to be credited one year in arrears.

(c) Unliquidated obligations (ULOs)

The balance of ULOs shown in schedule 5.2 consist of:

	1999	*1997*
	(thousands of United States dollars)	
Executing agents	11 804	15 564
Biennial support budget	156	43
Total	**11 960**	**15 607**

(d) Unspent allocations and Unexpended resources

The amounts in schedule 5.2 consist of:

	Unspent Allocations		*Unexpended Resources*	
	1999	*1997*	*1999*	*1997*
	(thousands of United States dollars)			
Regular Resources	65 302	54 281	95 826	84 394
Sub trust funds	529	1 083	786	486
Total	**65 831**	**55 364**	**96 612**	**84 880**

Note 25
" Capacity 21" Trust Fund

(a) Mandate and Goals

"Capacity 21" Trust Fund was established by the Administrator in 1993, subsequent to the Governing Council's decision, as an initiative to help countries implement Agenda 21. Agenda 21 is the agenda for actions agreed to at United Nations Conference on Environment and Development (UNCED).

The mission of "Capacity 21" is to pilot innovative methods of implementing Agenda 21 by helping selected countries to design and implement capacity building programmes for sustainable development. "Capacity 21" will ensure that, in addition to substantial progress being made by the pilot countries in the achievement of sustainable forms of development, a body of knowledge will be built up that will be of material benefit to other countries that are implementing Agenda 21.

(b) Unliquidated obligations (ULOs)

The balance of ULOs shown in schedule 5.2 consist of:

	1999	*1997*
	(thousands of United States dollars)	
Executing agents	797	623
Biennial support budget	58	31
Total	**855**	**654**

c) Unspent allocations and Unexpended resources

The amounts in schedule 5.2 consist of:

	Unspent Allocations		*Unexpended Resources*	
	1999	*1997*	*1999*	*1997*
	(thousands of United States dollars)			
Regular Resources	16 136	16 274	41 368	46 711
Cost-sharing	284	599	50	114
Sub trust funds	632	1 366	1 526	2 277
Total	**17 052**	**18 239**	**42 944**	**49 102**

Note 26
UNDP Energy Account

a) Mandate and goals

Established by the UNDP Governing Council in 1980, the UNDP Energy Account is the channel for specific contributions for energy activities within the context of the UNDP Initiative for Sustainable Energy. These activities are aimed at promoting sustainable energy strategies including:

- Utilising renewable sources of energy to meet the basic energy needs of rural communities and focusing on energy efficiency in residential, commercial and industrial sectors (while renewable energy systems are environmentally benign and have demonstrated their reliability under a wide range of conditions, energy efficiency measures can, at a minimum, reduce carbon dioxide emission and postpone investment by delaying construction of new fossil fuel-based power plants).

- Contribution to innovate financing mechanisms such as FINESSE (Financing Energy Services for Small scale Energy-user) to identify and promote ways to provide technically feasible and economically viable renewable energy and energy efficiency services to various types of energy users.

- Mobilizing support for indigenous capacity building so that counties can identify and make use of new approaches and technologies opportunities as well as train entrepreneurs and implement new financial/credit modes.

- Encouraging countries to create a supportive legal, institutional and regulatory climate for sustainable energy development.

(b) Unliquidated obligations (ULOs)

The balance of ULOs shown in schedule 5.2 consist of:

	1999	*1997*
	(thousand of United States dollars)	
Executing agents	70	37
Biennial support budget	11	10
Total	**81**	**47**

(c) Unspent allocations and Unexpended resources

The amounts shown in schedule 5.2 consist of:

	Unspent allocations		*Unexpended resources*	
	1999	*1997*	*1999*	*1997*
	(thousands of United States dollars)			
Regular Resources and Cost-sharing	1 458	2 217	3 301	2 874
Sub trust funds	-	-	-	4
Total	**1 458**	**2 217**	**3 301**	**2 878**

Note 27
UNDP Fund for the Programme of Assistance to the Palestinian People

(a) Mandate and goals

UNDP's Programme of Assistance to the Palestinian People (PAPP) has been operational in the West Bank and the Gaza Strip since 1980, having been mandated by the Governing Council to undertake both technical and capital assistance projects. PAPP is a decentralized assistance programme which reports directly to the Office of the Administrator. Most of the activities supported by UNDP are directed at strengthening newly created Palestinian institutions and creating employment opportunities in the Occupied Territories.

Since the establishment of the Palestinian Authority in the West Bank and the Gaza Strip in May 1994, there has been a redefinition of UNDP/PAPP's strategies and programme initiatives. As mandated by the Programme Framework, UNDP/PAPP's primary counterpart for development activities is the Palestinian implementation capacities of the Palestinian Ministries, municipalities and village councils, and civil society organizations. In conjunction with the Palestinian Authority, UNDP is also identifying and launching longer-term types of initiatives which are essential to the long term development of the Palestinian Territories. Whenever possible, UNDP uses Palestinian implementation networks and expertise.

UNDP under the auspices of PAPP has sought to improve the social, economic, and environmental conditions for all Palestinians in the Occupied Territories by implementing specific projects. The development and assistance strategies have resulted from a joint assessment of the top priorities in each sector by UNDP/PAPP and the Palestinian Authority. The projects reflect a realistic view of what is achievable and readily-implementable in each sector, as well as attempt to narrow down those practically unlimited range of development needs in the West Bank and the Gaza Strip to those specific projects that will provide the most tangible and visible results to the Palestinian people.

These projects have focused on four basic areas: public administration, economic development, human development and environmental management.

(b) Unliquidated obligations (ULOs)

The amounts shown in schedule 5.2 represent unliquidated obligations of executing agents.

(c) Unspent allocations and Unexpended resources

The amounts shown in schedule 5.2 consist of:

	Unspent allocations		*Unexpended resources*	
	1999	*1997*	*1999*	*1997*
	(thousands of United States dollars)			
Regular Resources	30 204	31 816	34 699	36 477
Sub trust funds	3 708	5 978	1 823	2 856
Total	**33 912**	**37 794**	**36 522**	**39 333**

Unspent allocations for Sub trust funds exceeded available resources in the amount of $3,321,000 ($3,199,841). As at 31 December 1999 there was no contribution receivable ($3,026,316 in 1997) as shown in note 34.

(d) Other accounts receivable

The balance shown in schedule 5.2 consists of recoverable advances paid with regard to the Value Added Tax (VAT).

(e) Endowment Fund

A contribution of $3,000,000 was received from the Government of Japan in 1998 for the establishment of an Endowment Fund. The objective of this Endowment Fund is to strengthen the planning and managerial capacities of Palestinian institutions, in order to promote sustainable socio-economic development.

That contribution has formed the principal of the Endowment Fund and has been invested separately for PAPP. It is included in the investment amount of $37,551,000 (nil in 1997) in Schedule 8.

Under the Endowment Fund mechanism and implementation arrangements, the principal amount will not be available for programming until such time as the Government of Japan and/or UNDP agrees to terminate the Endowment Fund. However, interest earned on the fund will be credited to PAPP and become available for programming.

PAPP has established a sub-trust fund project (PAL/98/J07). Investment income generated from the Endowment Fund serves as the source of funding for activities undertaken through this project. This project is included in Schedule 5.1. Throughout the life of the Endowment Fund, a number of Palestinian institutions and their personnel will benefit from training opportunities and support to be provided through the project.

Note 28
UNDP Trust Fund for Rwanda

(a) Mandate and goals

The UNDP Trust Fund for Rwanda was created in April 1995 to enhance UNDP programme activities in support of the Government of Rwanda's Programme of National Reconciliation and Socio-economic Rehabilitation and Recovery as presented at the Geneva Round Table Conference in January 1995. The purpose of this Fund is to provide assistance to interested governments and organizations in the following areas:

- Restoration of the administrative capacity of the state, including non-traditional development expenditures, such as salaries and also judiciary
- Recovery of economic activity
- Rehabilitation of social sectors
- Resettlement and reintegration of refugees and displaced persons.

(b) Unliquidated obligations (ULOs)

The amounts shown in schedule 5.2 represent unliquidated obligations of executing agents.

(c) Unspent allocations and Unexpended resources

The amounts shown in schedule 5.2 consist of:

	Unspent allocations		*Unexpended resources*	
	1999	*1997*	*1999*	*1997*
	Thousands of United States dollars			
Regular Resources	23 778	14 954	19 958	35 571
Sub trust funds	2 338	8 570	8 903	6 310
Total	**26 116**	**23 524**	**28 861**	**41 881**

Unspent allocations for four Sub trust funds exceeded their available resources in the amount of $1,231,000. Contributions receivable for these Sub trust funds amount to $17,007. This amount is included in the contributions receivable of $6,301,613 shown in note 35.

(d) Expenditure

The amount of $1,121,000 shown in schedule 5.1 comprises agency support cost of $639,000 and UNDP support cost of $482,000. The UNDP support cost of $482,000 is also included in the amount of $944,000 shown in schedule 5.2.

Note 29

Perez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries

In accordance with the General Assembly's decision at its forty-first session in 1996, $5 million of the trust fund's resources are held in perpetuity. It was also decided that only interest earnings from the Fund's investments would be available for programming.

Note 30

United Nations Capital Development Fund

(a) Mandate and goals

UNCDF is a multilateral donor organization under the administration of the United Nations Development Programme. It works to reduce poverty in least developed countries through strengthening local government and community institutions, enhancing the private sector, creating mechanisms for the provision of credit to the poor and swapping capital investments for the environmentally-sound use of natural resources.

The General Assembly established UNCDF as an autonomous organization within the United Nations System in resolution 2186 (XXI) of 13 December 1966. It was further decided, through resolution 2321 of 13 December 1966, that the UNDP Administrator would administer the Fund and serve as its Managing Director while the UNDP Governing Council would act as the Fund's Executive Board.

(b) Cash

The amounts shown in schedule 7 consist of:

	1999	*1997*
	(thousands of United States dollars)	
US dollar accounts	-	128
Convertible currencies	-	1
Accumulating non-convertible currencies	471	460
Total	**471**	**589**

(c) Loans to governments

The amount of $2,667,059 ($5,636,840 in 1997) shown in schedule 7 represents the total outstanding loans made by the Fund to the governments of Benin, Botswana, Burkina Faso, Ghana, Mali, Nepal and Senegal. No advances were made during the current biennium. The status of these loans is as follows:

Recipient Country	*Project number*	*Loan amount as at 1 January 1998*	*Repayments*	*Outstanding loan amount as at 31 December 1999*
		(thousands of United States dollars)		
Benin	RAF/94/CO2	200	-	200
Botswana	BOT/87/C02	715	715	-
	BOT/87/C05	2 685	1 342	1 343
	BOT/87/C06	1 092	783	309
Burkina Faso	RAF/94/CO2	200	-	200
Ghana	RAF/94/CO2	200	-	200
Mali	RAF/94/CO2	200	-	200
Nepal	NEP/85/C01	145	130	15
Senegal	RAF/94/CO2	200	-	200
Total		**5 637**	**2 970**	**2 667**

These loans are repayable over a period of 10 years. The amount due for 1999 and prior years is $215,259 ($36,332 in 1997).

(d) Unliquidated obligations (ULOs)

The balance of ULOs shown in schedule 7 consist of:

	1999	*1997*
	(thousands of United States dollars)	
Executing agents	2 130	6 437
Biennial support budget and others	1 206	241
Total	**3 336**	**6 678**

(e) Operational reserve

The Governing Council, at its twenty-sixth session in 1979, approved the establishment of an operational reserve at the level of at least 20% of project commitments and contingent liabilities for guarantees entered into by the Fund in respect of bank loans to Governments (excluding Sub trust fund and cost-sharing arrangements). In line with this decision, the operational reserve originally established in 1979, was adjusted to $45,000,000 as at 31 December 1997 as shown in schedule 7.

(f) Unspent allocations and future commitments

The unspent allocations as at 31 December 1999 amount to $8,643,563 ($22,213,749 in 1997). However, total commitments made under the partial funding system amount to $236,381,000 ($224,948,000 in 1997).

The partial funding system was originally approved by the Governing Council in 1979. At its thirty-fourth session in 1982, the Council reviewed the system and modified the formula for calculating the allowable ceiling of outstanding commitments to be the sum of liquid resources, exclusive of the operational reserve, plus five years of anticipated voluntary contributions.

The total commitments shown above consists of:

	1999	*1997*
	(thousands of United States dollars)	
Regular Resources	230 829	221 737
Cost-sharing	351	218
Sub trust funds	5 201	2 993
Total	**236 381**	**224 948**

The commitments shown are well within the limit set under the partial funding system.

Note 31

United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE)

(a) Mandate and goals

UNRFNRE was established in 1973 in accordance with General Assembly resolution 31/67 as a trust fund to be administered by the United Nations Development Programme (UNDP).

Its mandate is to extend and intensify the activities of the United Nations system in the field of natural resources exploration in developing countries through the sharing of the risks involved. At the same time, it is to provide a means for mutual assistance and cooperation in this field.

As a member of SEED (Sustainable Energy and Environment Division) since July 1996, UNRFNRE is currently expanding its position as a catalyst for the sustainable development of natural resources.

Under the concept of the Sustainable Development, the Revolving Fund demonstrates the following features:

- Replenishment contribution is a unique feature of the Revolving Fund. If an exploration project results in the discovery of a deposit of development, the concerned government would repay at a rate of two per cent of the gross annual value of production (one per cent for the least-developed countries) for a period of 15 years, until a ceiling of 10 times total project costs at constant prices is attained.

- Exploration of minerals focused on deposits appropriate for small-scale mining among the socially and economically less stable developing countries, thereby filling the gap that exists where private mining companies are not willing to implement exploration in spite of high mineral potential.

- Exploration of geothermal energy aiming at environmental friendly-clean energy in developing countries for the purpose of reducing dependence on oil, which in many cases, has to be imported and will cause environmental degradation.

- Environmentally sound research and development activities in the area of mining-related pollution.

(b) **Unliquidated obligations (ULOs)**

The balance of ULOs shown in schedule 7 consist of:

	1999	*1997*
	(thousands of United States dollars)	
Executing agents	-	34
Biennial support budget	61	2
Total	**61**	**36**

(c) **Unspent allocations and Unexpended resources**

The amounts shown in schedule 7 consist of:

	Unspent allocations		*Unexpended resources*	
	1999	*1997*	*1999*	*1997*
	(thousands of United States dollars)			
Regular Resources	901	340	3 068	3 111
Sub trust funds	18	18	37	32
Total	**919**	**358**	**3 105**	**3 143**

Note 32
United Nations Fund for Science and Technology for Development (UNFSTD)

(a) Mission and goals

UNFSTD was set up by the Vienna Conference in 1979 to deal more effectively with science and technology matters in a multilateral framework.

Its mission is to accelerate sustainable development by playing a special role within the UN system to promote Transfer of Technology and build Endogenous Capacity. It provides assistance in priority areas such as:

(i) science and technology policy and capacity building;

(ii) technology innovation and entrepreneurship development;

(iii) information technology and technology information;

(iv) quality control and maintenance; and

(v) new and renewable energy.

(b) Unspent allocations and Unexpended resources

The amounts shown in schedule 7 consist of:

	Unspent allocations		*Unexpended resources*	
	1999	1997	1999	1997
	(thousands of United States dollars)			
Regular Resources	-	391	315	792
Cost-sharing	-	-	27	27
Sub trust funds		31	390	351
Total	**-**	**422**	**732**	**1 170**

(c) UNFSTD's future

The Fund plans to conclude its activities in 2000.

Note 33
United Nations Development Fund for Women (UNIFEM)

(a) Mandate and goals

In its resolution 39/125 of 14 December 1984, the General Assembly established the United Nations Development Fund for Women (UNIFEM) to play an innovative and catalytic role in the promotion of women's empowerment and gender equality. More specifically, the Fund's mandate is:

- to support innovative and experimental activities benefiting women, in line with national and regional priorities;

- to serve as a catalyst, with the goal of ensuring the appropriate involvement of women in mainstream development activities, as often as possible at the pre-investment stage;

- to play an innovative and catalytic role in relation to the United Nations overall system of development cooperation.

(b) Unliquidated obligations (ULOs)

The balance of ULOs shown in schedule 7 consist of:

	1999	*1997*
	(thousands of United States dollars)	
Executing agents	1 114	1 133
Biennial support budget	497	51
Total	**1 611**	**1 184**

(c) Partial funding system and operational reserve

In accordance with the Executive Board 1995 decision, UNIFEM has been operating under the full funding system since 1 January 1995. The Executive Board temporarily suspended the requirements of the operational reserve and granted UNIFEM the use of UNDP's overdraft facility during the period 1995-1997 up to a maximum drawdown of $4.5 million to cover its prior commitments. No drawdown from the overdraft facility was made.

At its third regular session in September 1996, the Executive Board agreed to the re-establishment of the operational reserve at the initial level of $3.0 million, (decision 96/43). The Executive Board at its annual session on 17 January 1997 approved a modified partial funding modality to determine programme approval levels and associated operational reserve balance.

Under the partial funding modality, the maximum approved level for programming over a three-year period should be the net of a conservative estimate of income realization for the next three years minus administrative costs for that same period. A very conservative estimate of income to be realized for the first year would be equal to the estimated income for that year, calculated on the basis of the pledging conference results and direct consultation with donors. The estimate for the second year would be equal to 50 per cent of the estimated income of the first year while the estimate for the third year would be equal to 25 per cent of the estimated income of the first year (i.e., 50 per cent of the estimate for the previous year). The administrative costs would be by default equal to three times the current year costs.

The operational reserve would be set at the annual average expenditure over the programming period, i.e., one third of the maximum programme approval level times the estimated delivery rate. In accordance with the modified partial funding modality, the operational reserve has been increased to $6.7 million as of 31 December 1999.

(d) Unspent allocations and Unexpended resources

The amounts shown in schedule 7.0 consist of:

	Unspent allocations		*Unexpended resources*	
	1999	*1997*	*1999*	*1997*
	(thousands of United States dollars)			
Regular Resources	8 323	6 549	8 624	5 768
Cost-sharing	3 929	4 702	3 360	3 505
Sub trust funds	7 293	4 084	4 867	2 159
Total	**19 545**	**15 335**	**16 851**	**11 432**

Allocations exceeding Cost-sharing and Sub trust fund resources amounting to $570,574 and $2,423,431 respectively were issued on the basis of contributions receivable from Governments in the amount of $752,492 and $1,615,951 respectively. These amounts are included in the contributions receivable of $2,708,379 shown in note 34. Contributions receivable shown in note 34 do not include pledges for future years amounting to $5,589,158.

Note 34

United Nations Volunteers Programme

(a) Mandate and goals

Set by Resolution of the United Nations General Assembly in 1970, under the general aegis of the United Nations Development Programme (UNDP), UNV strives to:

- directly promote volunteer contributions to development by helping to better define and make known volunteer roles in development; by recruiting and fielding United Nations Volunteers (UNVs); and by stimulating the establishment of local volunteer and youth schemes;
- provide a global facility, under the UN system, that allows UNVs to serve people through Governments, UN Agencies, international organizations, Community-Based Organizations (CBOs) and Non-Governmental Organizations (NGOs) by direct placement; by helping to establish networks; and by providing information and channels for contact.
- In so doing, UNV demonstrates the following features
- a special kind of contribution, noted for its spirit of solidarity and partnership, to a wide range of technical cooperation (TC) activities
- effective support to humanitarian aid programmes
- assistance to the UN's peace-making and peace-building activities
- targeted support to community-based participatory development, especially among low income groups in poverty situations

- the ability to mobilize volunteer human resources from all over the world, including from developing countries themselves
- the willingness to adjust its policies and procedures to local conditions and needs
- the advantage of building on the UNDP's and the UN System's institutional presence and development involvement in virtually all developing countries
- ability to provide a flexible response, including the use of mixed teams of international and national volunteers
- pro-active promotion of volunteer effort in areas of strategic relevance such as urban development, environmental management and preventive/curative development.

(b) Biennial Support Budget - Core activities

UNV's Biennial Support Budget of $26,959,391 ($30,287,000 in 1996-1997) is included in the UNDP Regular Resources Biennial Budget and detailed in schedule 3.

(c) Recovery of external costs

The Governing Council, at its thirty-ninth session in 1992 revised the guidelines for the use of the Special Voluntary Fund and the procedures for recovery of external costs. It was decided that except in situations where special financing is available, the external costs of volunteers will be charged fully to project budgets on the basis of a pro forma cost. Any difference between pro forma costs and actual costs will be absorbed by the Special Voluntary Fund.

During the biennium, external costs totaling $6,072,437 ($7,903,662 in 1996-1997) were recovered and credited as income of the Fund. This amount is shown as part of other income of $6,245,113 (7,693,939 in 1996-1997) in schedule 7.

(d) Other accounts receivable and deferred charges

The amount of $5,481,477 ($1,168,636 in 1997) shown in schedule 7 includes the balance of amounts due from the UN of $3,337,884 (Nil in 1997) for costs and 10% overhead in respect of Volunteers attached to agency executed project activities.

(e) Unliquidated obligations (ULOs)

The balance of ULOs shown in schedule 7 consist of:

	1999	1997
	(thousands of United States dollars)	
Reimbursable activities	174	-
Special Voluntary Fund activities	29	-
Sub trust fund activities	6	-
Full funded arrangements	6	16
Total	**215**	**16**

(f) Special Voluntary Fund

The Governing Council, at its thirty-ninth session in 1992, decided that the income accruing to the Special Voluntary Fund, from voluntary contributions and interest income, be utilized to meet expenditures for pilot and experimental projects, briefing of UNV specialists and the training of Domestic Development Services country specialists and field workers, special recruitment campaigns, and other projects of similar nature. Prior to this decision, 85% of the income accruing to the Special Voluntary Fund was used to meet external costs of volunteers. Project budgets were charged an assessed amount to cover external costs that were not met by the Special Voluntary Fund.

(g) Unspent allocations and Unexpended resources

The amounts shown in schedule 7 consist of:

	Unspent allocations		*Unexpended resources*	
	1999	*1997*	*1999*	*1997*
	(thousands of United States dollars)			
Regular Resources	11 630	9 794	26 504	23 482
Cost-sharing	-	276	740	162
Sub trust funds	11 061	13 260	15 628	16 800
Fully funded arrangements	4 430	5 391	4 431	5 391
United Nations joint venture	-	-	(1 303)	(1 524)
Total	**27 121**	**28 721**	**46 000**	**44 311**

Of the unspent allocations of Regular Resources, $1,353,600 ($4,131,125 in 1997) represents estimated commitments in respect of repatriation travel and resettlement allowances for serving volunteers as at 31 December 1999.

(h) Contribution receivable

The amount shown in schedule 7 includes the following:

	Contribution receivable
	1999
	(thousands of United States dollars)
Fully funded arrangements	848
United Nations joint venture	1 302
Total	**2 150**

(f) Special Voluntary Fund

The Governing Council, at its thirty-ninth session in 1992, decided that the income accruing to the Special Voluntary Fund, from voluntary contributions and interest income, be utilized to meet expenditures for pilot and experimental projects, briefing of UNV specialists and the training of Domestic Development Services country specialists and field workers, special recruitment campaigns, and other projects of similar nature. Prior to this decision, 65% of the income accruing to the Special Voluntary Fund was used to meet external costs of volunteers. Project budgets were charged an assessed amount to cover external costs that were not met by the Special Voluntary Fund.

(g) Unspent allocations and Unexpended resources

The amounts shown in schedule 7 consist of:

	Unspent allocations		*Unexpended resources*	
	1999	*1997*	*1999*	*1997*
	(thousands of United States dollars)			
Regular Resources	11 630	9 794	26 504	23 482
Cost-sharing	-	276	740	162
Sub trust funds	11 061	13 260	15 628	16 800
Fully funded arrangements	4 430	5 391	4 431	5 391
United Nations joint venture	-	-	(1 303)	(1 524)
Total	**27 121**	**28 721**	**46 000**	**44 311**

Of the unspent allocations of Regular Resources, $1,353,600 ($4,131,125 in 1997) represents estimated commitments in respect of repatriation travel and resettlement allowances for serving volunteers as at 31 December 1999.

(h) Contribution receivable

The amount shown in schedule 7 includes the following:

	Contribution receivable
	1999
	(thousands of United States dollars)
Fully funded arrangements	848
United Nations joint venture	1 302
Total	**2 150**